The China Weekly
REVIEW
密勒氏評論報

A Weekly Newspaper Established in 1917

Dr. C. T. Wang's Sudden Trip to Tokyo and Its Significance

ARTICLES IN THIS ISSUE

China State Lottery and U. S. Postal Regulations

Cunningham's Two Decades Here Cover Significant Era

Yen 551 Millions for Japanese Navy; Yen 508 Millions for Army—A Ten Billion Yen Debt

Ho Ying-chin Seeks to Avert Crisis in North China; Reorganization of Nanking Government Pending

Japanese "Knife" Minister Kung's Plan to Have Foreign Banks Give Up Silver

Gen. Tsai Ting-kai Says His Divisions Are Ready to Defend Country *(By the Review's South China Correspondent)*

Reds Under Ho Lung Running on a Rampage in Hunan Again *(By the Review's Hankow Correspondent)*

Japan's Advent Into the Textile World Is a Severe Blow to U.S.-New England Mills — By Evelyn L. Whittaker

Has China Now Lost Her Patience? . . . — By C. Y. W. Meng

Progress of Cotton Production in Shensi . — By Hubert T. M. Soong

The Autonomous Show in North China . — By T. S. Young

SATURDAY, DECEMBER 7, 1935 VOLUME 75, NUMBER 1

FORTY CENTS A COPY

CHINESE RAILWAYS

SHANGHAI-PEIPING THROUGH EXPRESS.
(Connected with N.S.L. Nos. 301 & 302)

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
20.45	21.25	PUKOW	1.20	1.40
16.54	16.57	LINHUAIKWAN	5.40	5.43
16.04	16.19	PENGPU	6.19	6.34
13.52	13.57	NANHSUCHOW	8.45	8.50
11.50	12.05	HSUCHOWFU	10.50	11.10
10.02	10.17	LINCHENG	13.00	13.15
9.13	9.16	TENGHSIEN	14.06	14.09
7.40	7.55	YENCHOWFU	15.36	15.56
7.15	7.18	CHUFOU	16.21	16.24
5.34	5.42	TAIANFU	18.05	18.20
3.25	3.45	TSINANFU	20.12	20.42
2.03	2.13	YUCHENGHSIEN	22.05	22.15
0.24	0.39	TECHOW	23.55	0.25
22.37	22.47	POTOUCHEN	2.12	2.22
21.36	21.46	TSANCHOW	3.16	3.29
18.30	18.40	TIENTSIN (C)	6.40	7.00
17.59	18.20	TIENTSIN (E)	7.10	7.35
—	15.05	PEIPING	10.29	—

PEIPING-HANKOW RAILWAY.

14.05		PEIPING	22.00
13.27		CHANGSINTIEN	22.48
9.54		PAOTUNG	2.23
5.50		SHIHCHIACHWANG	6.28
2.19		SHUNTEH	10.01
19.27		SINSIANG	16.45
16.43		CHENGCHOW	19.26
13.59		HSUCHOW	22.08
12.16		YENCHENG	23.51
9.58		CHUMATIEN	2.34
6.16		SINYANG	6.01
3.36		KWANGSHUI	8.36
22.45		KIANG AN	13.15
22.30		HANKOW (Tachimen)	13.25

PEIPING-SUIYUAN RAILWAY.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
9.30	—	HSICHIMEN	—	16.48
8.06	8.16	NANKOW	18.07	18.17
—	—	CHINGLUNG-CHIAO	—	—
1.52	2.07	KALGAN	0.30	0.45
19.34	19.49	TATUNG	7.01	7.21
15.48	16.03	PINGTICHUEN	11.04	11.19
10.56	11.16	SUIYUAN	15.42	16.02
—	7.00	PAOTAO	19.58	—

LUNGHAI RAILWAY.

5.15	—		HSUCHOWFU	—	21.10
0.57	1.17		SHANKIUHSIEN	1.16	1.56
20.47	21.07		KAIFENG	6.20	7.00
18.40	19.00		CHENGCHOW	8.49	9.09
14.45	15.10		LOYANG E.	12.53	13.23
9.30	9.55		SHANCHOW	18.30	18.55
—	6.10		TUNGKWAN	22.15	—

KIAOTSI RAILWAY.

7.35	—		TSINGTAO	—	21.00
5.48	5.50		KIAOCHOW	22.46	22.48
5.06	5.16		KAOMI	23.19	23.30
3.26	3.41		FENGTZU	1.01	1.16
3.03	3.05		WEIHSIEN	1.36	1.39
1.36	1.38		TSINGCHOW	2.55	2.57
28.59	0.01		CHOUTSUN	4.32	4.35
—	22.00		TSINANFU	6.30	—

CHENGTAI RAILWAY.

19.42	—		SHIHCHIACHWANG	—	7.58
18.14	18.16		TSINGCHINGHSIEN	9.27	9.29
16.00	16.15		YANGCHUAN	11.47	12.01
14.48	14.50		SHOUYANGHSIEN	13.50	13.52
12.40	12.49		YUCHIHSIEN	15.25	15.35
—	12.08		TAIYUANFU	16.07	—

SHANGHAI-HANGCHOW-NINGPO RAILWAY.

STATIONS UP.		Zku-Nkg Express R. Through	Express R.	STATIONS DOWN.		Express R.	Nkg-Zku Through Express R.
ZAHKOU	d.	7.45	17.30	SHANGHAI, N.	d.	7.50	15.00
HANGCHOW	d.	8.15	17.55	JESSFIELD	d.	8.07	15.17
CHANGAN	d.	9.06	18.53	SICCAWEI	d.	—	—
YEHZAH	d.	—	19.25	SHANGHAI, S.	d.	7.55	—
KASHING	d.	10.17	20.05	SUNGKIANG	d.	9.05	16.05
KASHAI	d.	—	20.31	FUNGCHING	d.	—	—
FUNGCHING	d.	—	—	KASHAI	d.	9.51	—
SUNGKIANG	d.	11.25	21.20	KASHING	d.	10.25	17.20
SHANGHAI, S.	a.	—	22.25	YEHZAH	d.	11.01	—
SICCAWEI	d.	—	—	CHANGAN	d.	11.34	18.25
JESSFIELD	d.	12.11	22.16	HANGCHOW	d.	12.31	19.20
SHANGHAI, N.	a.	12.25	22.30	ZAHKOU	a.	12.50	19.35

NANKING-SHANGHAI LINE.

STATIONS UP		Express R.	Thro. Exp. Zku-Nkg R.	S'hai-Peiping Thro. Exp. (No. 302) R.S.	Night Express R. S.	STATIONS DOWN		Thro. Exp. R. Nkg-Zku	Express R.	Night Express R. S.	Peiping-S'hai Thro. Exp. (No. 301) R.S.
SHANGHAI, N.	d.	8.00	13.00	16.05	23.00	NANKING	d.	8.00	17.00	23.00	24.00
NANSIANG	d.	—	—	—	23.33	CHINKIANG	d.	9.25	18.25	1.00	1.54
KUNSHAN	d.	9.05	14.15	—	—	TANYANG	d.	10.07	19.05	1.52	2.43
SOOCHOW	d.	9.50	15.00	18.04	1.13	CHANGCHOW	d.	11.01	20.00	3.05	3.51
WUSIH	d.	10.41	15.51	18.55	2.13	WUSIH	d.	11.52	20.55	4.07	4.48
CHANGCHOW	d.	11.45	16.45	19.53	3.13	SOOCHOW	d.	12.47	21.50	6.13	5.52
TANYANG	d.	12.38	17.36	20.48	4.23	KUNSHAN	d.	13.26	—	—	—
CHINKIANG	d.	13.16	18.20	21.34	5.14	NANSIANG	d.	—	—	6.54	—
NANKING	a.	14.30	19.35	22.55	7.00	SHANGHAI, N.	a.	14.25	23.30	7.20	7.55

NOTICE

1. Children under four years of age are carried free, children under twelve but above four years of age at half fares and children of twelve years of age and over must pay full fares.
2. For Local and Through Traffic, the following free baggage allowances will be granted to each passenger:—

   1st class passenger ..... 80 kilogrammes (142 catties)
   2nd class passenger ..... 60 Kilogrammes (100.5 catties)
   3rd class passenger ..... 40 Kilogrammes (67 catties)

   Half of these quantities will be allowed on each child's half ticket of each class respectively.
3. Any weight of baggage in excess of the free allowance will be charged at the rate for the minimum quantity of 20 kilogrammes (33.5 catties) of $0.002 per kilometre per unit of 20 kilogrammes.
4. In case of any holder of Local or Through ticket who abandons his journey en route and desires a refund on the unused portion of his ticket he must apply in person, and produce his ticket for endorsement to the Station Master where the journey is abandoned. Application for refunds must be made as soon as [illegible] after endorsement and must in any case be made within TEN DAYS of the date of expiry of the ticket which has been endorsed.

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 75 | Shanghai, China, Saturday, December 7, 1935 | Number 1

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.,; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

China State Lottery and U. S. Postal Regulations 1
Cunningham's Two Decades Here Cover Significant Era 2
Significance of C. T. Wang's Trip to Tokyo 3
Ho Ying-chin Seeks to Avert Crisis in North China; Reorganization of Nanking Government 7

Special Articles

Yen 551 Millions for Japanese Navy; Yen 508 Millions for Army—A Ten Billion Yen Debt... 10
Japanese "Knife" Minister Kung's Plan to Have Foreign Banks Give Up Silver..... 12
The Autonomous Show in North China.....By T. S. Young 14
Has China Now Lost Her Patience?..... By C. Y. W. Meng 15
Japan's Advent Into the Textile World Is a Severe Blow to U. S.-New England Mills .....By Evelyn I. Whittaker 17
Gen. Tsai Ting-kai Says His Divisions Are Ready to Defend Country 22
Progress of Cotton Production in Shensi.....By Hubert T. M. Soong 24
Reds Under Ho Lung Running on a Rampage in Hunan Again 29

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS." COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

CHINA STATE LOTTERY AND U. S. POSTAL REGULATIONS

THE American customs authorities at New York have seized one copy of the *People's Tribune*, a Chinese owned and edited periodical published at Shanghai, on the ground that the magazine contained an advertisement of the Chinese National State Lottery Administration. Since all newspapers and periodicals, with the exception of a few journals published by religious organizations, print the advertisements of China's state lottery regularly it seems strange that *The Tribune* should have been selected for confiscation—unless, of course, the New York customs authorities wished to have a test case. However, that is unlikely for no test case is necessary to establish the fact that it it a violation of the U.S. postal regulations to mail a publication in the United States which contains advertisements of lotteries. But if the U.S. postal and customs authorities begin confiscating foreign journals carrying advertisements of official lotteries, we imagine they will be kept quite busy and a considerable number of Americans will be deprived of journals published in foreign countries for which they have placed subscriptions.

While legislative measures advocating the establishment of an official lottery have been introduced in the U.S. Congress from time to time, and one such bill is pending at the present time, this does not obscure the fact that it is still illegal to mail papers to the United States containing lottery advertisements, official or otherwise. In case American authorities now intend to enforce the regulation, it apparently will be necessary for the journals to remove the ads from copies destined for delivery in U.S.A. This method was adopted several years ago when the federal authorities attempted to confiscate copies of foreign publications containing advertisements of intoxicating liquors, which also were barred from circulation in the United States—for a time.

In the meantime the editor of the *People's Tribune* might write a letter to Postmaster General James A. Farley and inform him that the net proceeds of China's state lottery, after payment of prizes, printing and advertising expenses, is expended on airplanes and that most of the planes, up to the present at least, have been purchased in the United States.

CUNNINGHAM'S TWO DECADES HERE COVER SIGNIFICANT ERA

EDWIN Scheddan Cunningham has retired from the post of American Consul-General at Shanghai after nearly two decades of service. Counting from his initial appointment as Consul at Hankow in December, 1914, Mr. Cunningham actually spent twenty-one years in two consular posts in China, a record probably unequaled in the foreign branch of the U. S. government. Sometime ago we referred in these columns to the fact that Nelson Trusler Johnson, American Ambassador, was a graduate of the first Chinese language school established at the American Legation in Peiping; hence his career from student of the Chinese language to Ambassador should constitute inspiration for young men entering the service. Mr. Cunningham's career has been equally inspirational for when he leaves the service at the end of the present year he will have completed nearly forty years in the Consular branch which he entered at Aden on Feb. 16, 1898. Mr. Cunningham was born in East Tennessee, July 6, 1868 and after his graduation at Maryville College studied law at the University of Michigan, receiving his degree in 1893. After engaging in law practice and other activities he took the consular examinations and was appointed to Aden. Then followed Bergen, Durban, Bombay, Singapore, following which he was appointed to the Hankow post in December, 1914, only a few weeks after the outbreak of the World War.

Mr. Cunningham has thus observed much Chinese and Far Eastern history, one might almost say he has observed the passing of the Occidental as the dominating influence in Asia, although there will be many who will dispute the statement that the Occidental is passing permanently. It is impossible, of course, to forecast the future but as the situation stands today Occidental prestige and influence doesn't count for much—and the Occidentals can thank their World War for the beginning of the decline. When the so-called "white front" which had been consolidated at the time of the suppression of the Boxer uprising in 1900, split up in the world war it had disastrous reactions in this part if the world, marking the beginning of the decline of Occidental prestige. When Mr. Cunningham first arrived at Hankow, his work consisted chiefly in "protecting" American businessmen and their interests, not from Chinese interference, but from attempts of conflicting European interests to apply their wartime regulation and restrictions in their port concessions in China. Americans, having no concessions, were compelled to put up with the restrictions of the European concessions where they happened to live, and being at that time neutral, were regarded with suspicion by both the Allies and Central powers. Then to add to the complications, adverse legislation had driven American shipping off the Pacific, so completely that for a considerable period there wasn't a single Trans-Pacific steamer flying the American flag. American goods shipped to China was trans-shipped by Japanese steamers and left to deteriorate on the docks at Kobe until some tramp steamer came along and picked them up for delivery at Chinese ports, usually weeks and joined in the war and Americans were no longer months behind schedule. Then the United States suspected of aiding the enemy. But the European had destroyed his own prestige, first by fighting within his own camp and then when the war was finally finished China was deluged by hordes of unfortunate political exiles from the land of the Czars, white men formerly among the rulers but now reduced to penury.

After the war Occidental prestige went up somewhat when President Harding called the Washington Conference and inaugurated a "new deal" in the Pacific, a new deal which put Japan out of Shantung and established, so they thought in Washington at least, a new basis for peace in the Pacific. Prior to the Washington Conference the port cities, but chiefly Shanghai, had been subjected to serious disorders due, primarily to Sino-Japanese complications, but in 1925 the Japanese succeeded in switching Chinese animosities from themselves to the British culminating in the Nanking Road incident involving the shooting of some students and laborers by the Municipal (British) police. Then followed the most disastrous boycott ever experienced by the British in Asia culminating in a complete readjustment of Anglo-Chinese relationships at Shanghai and throughout China. It was in 1925 that Mr. Cunningham became chairman of the Court of Consuls and a year later succeeded to the position of chairman of the Consular Body, supreme authority next to the Diplomatic Corps in the control of the International Settlement. Space is not available for a review of what happened in China or in Sino-American relations in the decade following the Washington Conference: Investigation of Exterritoriality, Conference on tariff revision leading to adopting of effective 5 percent, remission of the final portion of the American share of the Boxer Indemnity establishing a precedent later followed by practically all other nations, beginning and development of the Nationalist revolutionary movement at Canton, granting of recognition by the United States and later by other Powers, coming into effect of tariff autonomy, blocking of a Morgan loan to the South Manchuria railway, establishment and later breaking off of relations between China and Soviet Union, adjustment of long deadlock over Mixed Court and addition of Chinese representatives on the Municipal Council of the Settlement, second Japanese intervention into Shantung, investment of American capital in Shanghai public utilities, American cooperation in establishment of aviation and radio development in China, visit of the Kemmerer Commission, conflict between China and Soviet Union over Chinese Eastern Railway, Justice Feetham's investigation of the status of Shanghai, Chang Hsueh-liang's cooperation with Chiang Kai-shek in suppression of Yen-Feng-Wang Ching-wei rebellion in North China and re-establishment of Unity under Nationalist Government, Japanese intervention at Mukden and seizure of Manchurian provinces.

On several occasions in the course of his long career as Consul-General, Mr. Cunningham was

mentioned for Minister in Peiping and he was supposed to harbor ambitions in that direction. But while he did not receive that appointment, he had the satisfaction of serving continuously as Consul-General at China's chief port through the administrations of several ministers. It's a common saying in the service that the post of consul-general at Shanghai is more important than that of the chief American diplomatic official in Peiping, due to the fact that most American business and commercial-industrial investment as well as population are concentrated at Shanghai. But the posts are important in different fields. Mr. Cunningham as chairman of the Shanghai Consular Body which had technical control of the International Settlement, was an important American figure in this part of the world. Often he was the storm center of international conflict, such as the situation which developed here at the time of the Japanese intervention in 1932, conflicts which had only minor reactions at Peiping where the ministers were stationed. The location of the seat of the National Government at Nanking and the intimate relationship between Shanghai and Nanking also enhanced the importance of the consuls-general at Shanghai. The persistence of the foreign ambassadors and diplomatic secretaries in sticking to Peiping instead of moving to Nanking almost resulted in their eclipse by the consular officials in Shanghai who were nearer the National Government and its leading officials.

Mr. Cunningham probably came nearer deserving the title "Grand Old Man of the Consular Service" than any other man in the foreign service department, at least in modern times; but at present the tendency is to retire the "grand old men" for younger and more active ones. Mr. Cunningham was not always popular with particular local groups in his own community, a chief complaint being based upon his inability or at least his frequent failures to take a more definite stand in behalf of American policies. Frequently it was charged that the American consul-general was too prone to temper American policy with that of certain European nations, to such an extent that the American point of view often appeared to be subordinated. However, there never was any serious complaint that Mr. Cunningham did not support American "interests," that is property interests, to the fullest extent. On occasion he went too far in this support, an example being his support and protection of certain interests which, as recent developments have shown, were neither deserving or entitled to American protection. However, the diplomatic support which Mr. Cunningham gave these now defunct enterprises was in thorough accord with the established Shanghai conception of imperialistic protection of national interests regardless of their worthiness or value to the nation under whose flag they claimed protection.

Recently it was reported in the local papers that Mr. Cunningham planned to publish his memoirs. We hope that he will carry out that intention for the American Consul-General's explanation, as chairman of the local Consular Body, of certain as yet undisclosed passages in the recent history of the Settlement, should prove interesting reading. We particularly have in mind the developments which took place just prior to the Japanese intervention in 1932, pertaining to official encouragement which the Japanese received from Occidental sources. But this is only one of numerous developments that the retiring American Consul-General could write about in interesting manner; hence we, in company with his long list of friends in this part of the world wish him success in this undertaking and also many more years of useful service in whatever activity he may select.

Significance of C. T. Wang's Trip to Tokyo

DR. C. T. Wang (Wang Cheng-ting) former Minister of Foreign Affairs of the National Government at Nanking, outstanding influence in the diplomatic relations of China over a period of practically two decades, departed from Shanghai on the morning of Nov. 26 as a passenger on the Dollar line steamer *President Jefferson* bound for Japan. As there had been no previous mention in the press of Dr. Wang's intended trip, his sudden departure caused a considerable stir—for two reasons: The American congressional delegation, including Vice-President John N. Garner, was also aboard the *Jefferson*, bound for home following the trip to Manila where they participated in the inaguration of the Commonwealth Government. The other significant element in Dr. Wang's trip was based on the fact that he was going to Toyko, capital of Japan, for the obvious purpose of conferring with Japanese officialdom.

That the Japanese realized the significance of Dr. Wang's trip was indicated in the sudden flare-up in Japanese military circles both in China and in Tokyo and also in the Japanese newspapers which are subject to military influence. One Japanese news service sent a fake message from Shanghai which was broadcasted over the world alleging that Dr. Wang, while on the ship traveling to Japan, had approached Vice-President Garner for a loan of U.S. $200,000,000. While it was possible that Dr. Wang did discuss finances along with a number of other things with members of the congressional party, the suggestion that he had tried to negotiate a loan with Vice-President Garner was ridiculous. The French *Havas* news service which frequently reports interesting developments in the United States which are overlooked by *Reuters* and *United Press*, stated on Dec. 4 that dispatches had been received from correspondents travelling with the congressional party suggesting the possibility that China might open negotiations to purchase 50,000 bales of cotton which would involve further credits from the Reconstruction Finance Corporation. It also was stated that Dr. Wang may have discussed the silver situation with Senator William H. King, but that no information on this or other matters con-

cerned with the visit of the American legislators to China had been received.

But the Japanese military leaders did not approve of Dr. Wang's trip. Major General R. Isogaya, Military Attache, stationed at Shanghai not only disapproved of the trip but strongly advised Dr. Wang not to go to Tokyo. Despite Dr. Wang's assurance that the trip was of a "personal" nature, the chief Japanese warlord at Shanghai stated that the trip of such an outstanding personage to Japan at this time would cause misunderstanding. Isogaya added, however, that such a trip might be of personal benefit to Dr. Wang because it would enable him to "improve his understanding of Japan's unchangable policy toward China." The semi-official *Rengo* service issued a long dispatch from Tokyo quoting spokesmen of the War Office as declaring that Wang's trip was "inopportune and inappropriate," and also took advantage of the occasion to point out that Dr. Wang's "revolutionary diplomacy in connection with treaty revision and abolition of exterritoriality had been one of the major causes leading up to Japan's seizure of the Manchurian provinces." It was declared that Dr. Wang was generally classed an "anti-Japanese."

Dr. C. T. Wang, Former Minister of Foreign Affairs

The most interesting discussion of Dr. Wang's trip was published in the bi-lingual newspaper *New World* at Shanghai, a paper which is popularly supposed to express the views of Soviet officialdom. Under the heading, "Mystery of the Departure of Dr. Wang for Japan," the paper said:

"On the day following the attempted assassination of Wang Ching-wei, President of the Executive Yuan and concurrently Minister of Foreign Affairs, it was rumored that his position in the Foreign Office would be taken either by Gen. Chiang Tso-pin, Ambassador to Tokyo or by Dr. C. T. Wang. When Dr. Wang was interviewed on the subject he neither affirmed or denied the report, and it was generally believed in Nanking that Gen. Chiang Kai-shek and other high authorities in the party favored Dr. Wang. The fact that Premier Wang Ching-wei had also been on friendly terms with Dr. C. T. Wang and had frequently consulted him on questions of international policy, contributed further to the opinion that Dr. Wang might now be invited to the Foreign Office. Of further significance was the fact that Dr. C. T. Wang had not participated to the extent of delivering an address in the deliberations of the plenary session of the Kuomintang Central Executive Committee or the Fifth National Congress of the Party. It also was known that Dr. Wang had held two long conferences with Gen. Chiang Kai-shek, the first before the Generalissimo's talk with the Japanese Ambassador Akira Ariyoshi and the second following that momentous meeting. Then Dr. Wang suddenly departed for Japan—on private business!

While the officials of the Central Government at Nanking have denied the significance of Dr. C. T. Wang's visit to Tokyo, the flare-up of the Japanese military officers in Shanghai and elsewhere in China indicated their fear that Dr. Wang's trip might result in a general 'mix-up' of Japan's military plans and in addition might interfere with or neutralize the conferences which the Japanese warlords had arranged to be held in Nanking with Gen. Chiang Kai-shek. The Japanese militarists in China feared that Dr. Wang's visit might result in Tokyo having priority in the settlement of important questions between the two governments, a state of affairs not desired by the Japanese war party. Although Dr. Wang still insisted, upon his arrival in Tokyo, that his trip was of personal nature, it was obvious nevertheless that his presence in the Japanese capital was a matter of very great importance; that he was in fact the personal ambassador of Gen. Chiang Kai-shek. It therefore was demonstrated that Gen. Chiang Kai-shek was not only all powerful in the Central Executive Committee of the Kuomintang, but also in the Government as well. Therefore in the discussions which he had held with the Japanese Ambassador, Gen. Chiang Kai-shek was naturally suspicious of the type of information which the Japanese diplomatic

diplomatic and military officials were sending to Japan. Frankly it was feared that the dispatches, official and unofficial which were being sent to Tokyo favored the point of view of the military party. Thus by sending Dr. C. T. Wang to Tokyo, Gen. Chiang Kai-shek upset the strategy of the Japanese warlords which had been carefully worked out in the military diplomatic conferences at Dairen, Tientsin and Shanghai sometime ago.

Therefore, to avoid further confusion Gen. Chiang sent his unofficial diplomatic representative to Tokyo with an errand to explain directly to high officials of the Japanese Government the real situation in China and possibly of even greater significance, his own position and attitude toward Japan! This unexpected strategy of the Generalissimo naturally created much confusion among Japan's official set-up in Nanking and constituted a source of alarm and irritation in high military circles in Tokyo who were opposed to the coming of Dr. C. T. Wang. The Japanese also realized that Gen. Chiang had reached an understanding with Gen. Yen Hsi-shan of Shansi and Gen. Feng Yu-hsiang, former leader of the Kuominchun, Gen. Yen having just returned to his healquarters in Taiyuan while Feng Yu-hsiang had been entrusted with the job of working out the strategy for the suppression of the Japanese fostered 'autonomy' movement in the North. Nanking at the same time had issued an order for the arrest of Yin Ju-keng, leader of the autonomy movement in Hopei who was acting as the puppet of the Japanese military party. Nanking also abolished the Peiping military council and transferred its functions and direction to the Military Affairs Commission which is headed by Gen. Chiang Kai-shek himself. This was followed by the appointment of Gen. Ho Ying-chin, War Minister, as the official representative of the Central Government in the North.

Thus Gen. Chiang Kai-shek most effectively warned Japan that he himself will resist the autonomous movement in the North which is fostered entirely by the Japanese military party. Considering all these facts and the present situation between the two governments, Dr. Wang's trip has taken on a certain value for in a sense he represents the real force in China. It is difficult to say what will happen in North China in the near future, but once again Gen. Chiang Kai-shek has nonplussed the Japanese militarists-diplomats at Nanking and has mired-up all their well laid plans for enforcing their 'positive' new policy in China, which the warlords have now been trying to enforce for practically eight years, a policy which is almost entirely distinct from that of the Government and regular diplomacy of Japan.

As to Gen. Chiang's choice of Dr. Wang, he obviously made no mistake for Dr. Wang knows very well the complications of the international situation and also understands the special Far Eastern resonance of the Italian-Ethiopian conflict and furthermore he understands China's relations with the U. S. A. and the U. S. S. R., particularly the independent position of the Soviet Union. And, finally, Dr. Wang also understands fully China's relations with the various European powers.

Regarding Imperial Japan, Dr. C. T. Wang, who twice negotiated the Japanese army out of Shantung, he always has distrusted the official promises of the Japan's spokesman and representatives.

Summarizing all the facts we may draw the following conclusions:

1—Dr. C. T. Wang's character and personality will save Gen. Chiang Kai-shek from the suspicion of being 'pro-Japanese' in the eye of the Chinese people.

2—In the course of the conversations with Dr. C. T. Wang, the high ruling powers of Japan will be compelled to understand the real position of Gen. Chiang Kai-shek.

3—It is possible to suppose that the position of the Generalissimo was already understood and valued by Japan, following the meeting with Ariyoshi in Nanking.

It therefore means that Dr. C. T. Wang went to Tokyo for the purpose of reaching a definite understanding (agreement?) with Japan, otherwise he would not have undertaken the assignment. At any rate in the very near future we are likely to observe some very interesting developments in Chinese history. The diplomatic representatives of the other powers at Nanking are watching with particular attention the developments incidental to Dr. Wang's trip to the Japanese Capital!

***

In view if the refusal of any responsible Chinese to follow the example of Yin Ju-keng in joining the so-called "autonomy movement" in North China, the Imperial Japanese Army, or at least the Kwantung section of the Japanese military establishment is now faced with the alternative of outright military occupation. The Japanese warlords had hoped, and long had planned and intrigued for a "spontaneous" movement in North China which they could support and direct into channels which would result in the ultimate complete independence of that section from the Central Government at Nanking. But aside from the action of the minor official Yin Ju-keng, whose action has been repudiated and his arrest ordered, no other official has followed the Japanese "lead." So long as Yin remains within the Demilitarized Zone where he is more or less safe from molestation by the Chinese authorities, he may be able to maintain his position as head of the "autonomous" movement, but all available evidence up to Wednesday, Nov. 4 when these paragraphs were written, indiicated that there would be no further extension sonthward of the autonomous movement without the direct help of the Japanese army.

But while there was no evidence of responsbile Chinese cooperation with the Japanese army, there was ample evidence of the hand of the Japanese military authorities in the propagation of the "autonomous" movement in various parts of North China, but chiefly in Hopei province. For example, the *China Times* (Shanghai) reported on Dec. 3 that a large detachment of Japanese troops had arrived at the town of Tacheng and accompanied by interpreters, had attempted to compel the villagers to sign a prepared petition demanding autonomy from Nanking. Enraged at the refusal of the villagers to sign the document the Japanese soldiers precipitated a conflict resulting in two Chinese being fatally wounded and some 12 others receiving minor wounds. But despite the Japanese pressure and intimidation the Chinese in the Tacheng area are refusing to sign the petitions. The leading newspaper in Tientsin, the *Ta Kung Pao*, which published a report of these incidents and in addition printed a strong editorial advising Gen. Sung Chieh-yuan to stick to his former attitude of preserving the territorial integrity of China, was ordered banned from the mail by the Chinese authorities and in addition was subjected to a heavy fine for violating the censorship regulations. The Chinese authorities, of course, were acting under Japanese orders in

enforcing the mail ban on the paper. In addition to the incident at Tacheng village, the Japanese *Rengo* service reported another incident which allegedly happened at the village of Choliuchen, southwest of Tientsin on a branch line of the Tientsin-Pukow railway. The Japanese report alleged that the Japanese were "traveling" in the vicinity of the village when they were attacked by members of the Chinese peace preservation corps and that some 15 of the travelers were injured. A *Reuter* report, dealing with the incidents, claimed that the Japanese military authorities had sent agents to the villages who had called meetings of the Chinese leaders and harangued them on the subject of autonomy. The Chinese, becoming exasperated at the Japanese action had mobbed the Japanese causing two to be fatally injured. The *Sin Wan Pao*, one of the leading papers at Shanghai, published a dispatch from its correspondent in Tientsin on Dec. 3 stating that the continuous arrivals of Japanese warcraft, steady increase in soldiers and daily flights of Japanese military planes over practically all cities of North China had created great unrest and anxiety on the part of the Chinese population. The paper declared, "The daily demonstrations of Japanese soldiers, such as parades and the display of heavy fighting equipment on the public streets and roads, have thrown the people into extreme confusion. . . . The Japanese military commanders, following a conference, are openly mapping out measures for the protection of their military transport from Tangku to Tientsin and for the protection of Japanese residents in that area at a time of extraordinary emergency."

On December 2, the Japanese military spokesman in Peiping anounced that a long list of Chinese organizations had sent a joint circular telegram to the authorities of the five provinces of North China urging the early calling of a conference in Peiping for the purpose of proclaiming autonomy and the creation of an "autonomous" government. The list of organizations which allegedly had sponsored the circular telegram, according to the *Shanghai Nippo*, included the Chinese People's Self-Governing Union, North China Workers and Peasants Relief Union, Association of Chambers of Commerce in North China, Peasants Union of North China, Autonomy Promotion Society and Shantung Union of Workers and Peasants.

As few of these organizations were known to the Chinese, it was of much more significance that Chinese educational leaders and intellectuals generally in North China had unanimously opposed the Japanese scheme, even at great personal danger because the Japanese have not hesitated to arrest and imprison teachers in the schools who have voiced opposition to the Japanese plan. According to a *Kuomin* dispatch from Peiping on Nov. 30 the Japanese gendarmes visited the National Peiping University and "invited" Dr. Chiang Mo-lin to visit the Japanese military barracks for an interview. Upon his arrival at the barracks, Dr. Chiang was met by a Japanese military officer who upbraided him for declaring in the course of conversation and in his writings sentiments which were anti-Japanese. Dr. Chiang demanded proof of these charges and pointed out that he had frequently advised his students against participating in anti-Japanese movements. Finally, Dr. Chiang declared, "Your country has constantly been talking of promoting friendly relations with China, but your present action is contradictory to that aim." Dr. Chiang also refused the Japanese officer's invitation to take a trip to Dairen, Manchuria as the guest of staff officers of the Kwantung army. According to a Peiping dispatch circulated by *Kuomin* on Dec. 3 the association of teachers in Peiping circulated a telegram throughout the country declaring that, "with the exception of a small number of undesirables hired by certain quarters for the distribution of handbills in the streets to mislead the public, all classes of the Chinese people have absolutely no intention of separating from the Central Government or of advocating autonomy . . . the Central Government and our fellow-countrymen are urged not to be deceived . . . it is fervently hoped that the Central Government and the Peiping, Tientsin and Hopei authorities will remove the root of disturbances and political integrity of the country." The courage of the Chinese teachers in opposing the Japanese scheme was praised in a telegram sent to Peiping on Dec. 4 by some 40 overseas delegates who are now attending the Kuomintang conference in Nanking. Gen. Han Fu-chu, chairman of Shantung, declared in the course of a newspaper interview on December 2 that the so-called autonomy movement in the North did not accord with the opinion of the people and while a few people in Shantung favored the movement they were the "undesirable elements in society who were striving for personal profit."

Honan Prepares for Defense Against Japanese Drive

HONAN—During the past several months, the local political and military authorities seem to have been rather busy preparing for self-defense, as the situation in North China has gone from bad to worse. The people are excited, anxiously watching the news from the north, although it is superficially peaceful. The following facts may arouse interest of readers:

Acting on orders from General Chiang Kai-shek, Chairman of the National Military Affairs Commission, General Liu Chih, chairman of the province, has instructed Chang Ching-yu, Reconstruction Commissioner of the Provincial Government Administration, to build 200 sailing vessels which are to be used for carrying soldiers on the Yellow River, in case the Iron Bridge of the River should be bombed by aeroplanes.

In Northern Honan there are two big rivers: One is named Wei River, and the other, Chang River. The southern dykes of the Wei River were heightened by several feet, some months ago, and those of the Chang River are now being heightened. These dykes will be used as trenches.

The chuan yuan or special commissioners of the inspecting administration in the province recently called all magistrates who are under their direct control for a conference, when they passed a resolution that all educational fees in the different hsiens or districts should be used for war expenses, the schools should be dismissed, and the students should be appointed to do special service in their native towns.

In addition to the Lunghai Railway, a motor road from Loyang in Western Honan to Tungkuan on Honan-Shensi border has been started. Finding out the slow progress of the road-building, General Chiang Kai-shek, who came to Honan in the middle of October, became extremely angry, and gave a death demerit to the Reconstruction Commission of the Provincial Government Administration, Chang Ching-yu, which means Mr. Chang will be put to death if he fails again to complete the road-building at the end of this year. General Chiang said that

this road is the life-line of the Honan people. The people believe the urgent building of this road is for military transportation.

The Hsiaoyi Arsenal at Kunghsien in Western Honan has been enormously enlarged during the past few years under a German engineer. Up-to-date weapons, including equipment for use against poison gas are being manufactured. At a certain place in Western Honan a large quantity of gasoline is stored.

According to arrivals from Northern Honan, a large number of troops are now concentrated at Weihwei. All inns and empty buildings are full of soldiers. Even the buiildings of the Canadian Presbyterian Mission are said to have been reserved for housing soldiers.

At the beginning of the current month, when the Sixth Plenary Session was going to open, General Chiang Kai-shek telegraphed Liu Chih, chairman of the province to remain and prepare defense measures, as the situation in North China had become tense, and not to go to Nanking to attend the meeting. But the telegram came too late. General Liu had already left for the National Capital when the order reached here. Three days later (Nov. 3.) he returned hurredly to the city, declaring that he had important affairs to settle and that General Chiang wanted him back.

Dec. 2, 1935. L. M. M.

Ho Ying-chin Seeks to Avert Crisis in North China; Reorganization of Nanking Government Pending

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Ho Ying-chin Arrives in Peiping Following Phone Talks with Doihara.**
2. **Plan of Reorganization of North China Administration Considered.**
3. **China Lodges Vigorous Protests Against Japanese Machinations in North.**
4. **General Han Fu-chu Reaffirms Loyalty to National Government.**
5. **Dr. C. T. Wang Discusses China Affairs With Koki Hirota.**
6. **Japanese "Ronins" Reported Active in South China.**
7. **New C. E. C. Meets to Discuss Reorganization of National Government.**
8. **General Chiang Kai-shek Mentioned as President of Executive Yuan.**

General Ho Ying-chin, the Chinese War Minister, who has been sent to North China by the Nanking Government to devise some solution of the problem arising from the so-called autonomy movement, arrived at Peiping at 6.35 p.m. Dec. 3. He left Nanking in the night of Nov. 30 and reached Paoting in the evening of Dec. 2. He is being accompanied by General Chen Yi, Chairman of Fukien, and General Hsiung Shih-hui, Chairman of Kiangsi.

General Ho's arrival at Peiping followed three dramatic telephone conversations that he had during the night of Dec. 2 with Major-General Kenji Doihara, his principal protagonist in the North China drama. "Moderately satisfactory" is the description given in Chinese quarters to the Ho-Doihara conversations.

General Chin Teh-chun, Mayor of Peiping, denied the report that General Sung Cheh-yuan, Garrison Commander of Peiping and Tientsin, went Dec. 2 to Paoting to which center he was reported to have traveled secretly to meet General Ho. General Sung was, however, represented at the provincial seat by two officials General Meng Chi-chung and Lei Shou-ying.

Despite the thinly-veiled hostility of the Japanese military authorities to the visit of General Ho, an air almost amounting to optimism is prevailing among important Chinese officials. Unquestionably, his arrival in the North and the new suggestion for the formation of an administrative body for North China similar to the Mongol Autonomous Council has postponed the declaration of autonomy in Hopei and Chahar. In this connection, great credit was due to General Sung Chih-yuan for the manner in which he had quietly and diplomatically resisted Japanese piessure. Well-infosmed foreign sources declare that Major-General Doihara has indicated clearly the importance he placed on the outcome of the task to which he had set his hand—that of winning for Japan, actually or practically, a vast slice of territory without milittary operations. Unquestionably, he is fighting the hardest diplomatic battle of his uniformly successful career.

PLAN TO REORGANIZE NORTH CHINA ADMINISTRATION CONSIDERED

Gen. Ho Ying-chin's proposals for the solution of the North China crisis call for the appointment of a few administrative organ for the five northern provinces, the members of which shall not be appointed by Nanking but subject to the Government's approval, according to a *United Press* message from Peiping. This new governmental agency presumably would exercise full administrative control over the provinces of Hopei, Chahar, Shansi, Suiyuan, and Shantung. It would be organized by the chairmen of the five provincial governments, the mayors of the cities of Peiping, Tientsin, and probably Tsingtao, the commander of the Peiping-Tientsin garrison, and other influential persons not holding Government positions.

Chinese circles are discussing the possibility of the formation of a body to be known as the Northern Political Council of the Republic of China. It is suggested that this council be a fairly large body of perhtps 40 members, including a number of retired Northern militarists and officials residing in this area, but that unquestionably, General Sung Chih-yuan, garrison commander of Peiping and Tientsin, must head the council, as he is the only man in Peiping area with sufficient troops to maintain peace and order. The plan, it is believed, might be accepted by the Japanese.

Friendship with Japan and relentless war on communism form the backbone of the policies pursued by Gen. Sung Cheh-yuan, Commander of the Peiping-Tientsin Garrison, according to Lieut.-Col. Tan Takahashi, assistant military attache to the Japanese Embassy in Peiping. Assurances to this effect, the Japanese officer told *Rengo* were given to him by Gen. Sung in an interview Dec. 3.

Gen. Hayao Tada, commander of the Japanese forces in North China, in conversation with Ying Tung at Tientsin Dec. 2, according to *Rengo*, upraided the Nanking authorities for sending Gen. Ho northward, and is said to have declared that "the situation would not be cleared up" by the latter's presence in this part of the country. Had Gen. Ho come to "apologize for his past misdeeds," the cammandant of the Japanese forces is reported to have told Mr. Yin, "his presence could have been tolerated. But his return to North China to engage in new subservise activities is inconceivable," Gen. Tada said.

CHINA LODGES VIGOROUS PROTESTS AGAINST JAPANESE MACHINATIONS IN NORTH

China has addressed two vigorous protests to Japan, one against the occupation by Japanese troops of Fengtai and Changyimen, railway stations south of Peiping, and the other against the machinations of the Japanese military in connection with the so-called autonomy movement in North China. The protests, each contained in a separate Note, were handed by the Foreign Office to Y. Suma, the Japanese Consul-General in Nanking, for transmission to the Japanese Government. The Chinese Government requested the Japanese Government to take "effective measures" to retrain the Japanese military from such actions which constitutd flagrant rights and territorial integrity.

Japan will reject any portest made by China regarding the alleged seizure by Japanese military of the important railway junction at Tangshan near Peiping on Nov. 27, a spokesman for the Tokyo Foreign Office said Nov. 29.

"The action of our military was entirely justified and in keeping with the spirit of the Boxer Protocol," the spokesman remarked.

According to official dispatches received from Peiping, there were indications that a large number of cars from the Peiping-Mukden Railway were being shunted to the Peiping-Hankow and Tintsin-Pukow lines, he said.

"These movements could be construed as preparations for an invasion of North China by Central armies," he continued. "Our forces who are responsible for the maintenance of peace in North China and for the protection of the Peiping-Mukden railway took a serious view of these developments.

"We still have some men watching traffic so as to prevent the southward transfer of freight cars. At no time did we seize Fengtai station as it is alleged," he declared.

Japanese military authorities were aroused at the receipt of reports on Nov. 28 that the Nanking Government had filed a protest with Japan charging that Japanese officers were "conniving" in the creation of an autonomy movement in North China. The allegation was described by a spokesman for the North China garrison headquarters as "a preposterous charge, which only goes to show how ignorant Nanking is of real conditions."

"The action was obviously taken to make a diplomatic issue of the whole question and publicizing it at home as well as abroad," he said. It is also apparently designed to secure the aid of Britain and the United States by dragging in the Nine-Power Treaty and making Japan shoulder the responsibility. Such tactics are repugnant to us as Orientals.

The Japanese military spokesman at Peiping questioned Nov. 28 concerning the situation at Fengtai and Changyimen, the two railway stations occupied by Japanese troops, said that the main forces there had been withdrawn that morning, but a few men left behind to check the movement of rolling stock. The spokesman said that despite Chinese denials that rolling stock was being withdrawn from North ceeding.

Asked the reason why the Japanese were so concerned over the allegd removal of rolling stock to the south, the spokesman said that the withdrawal looked like preparation for war.

"We don't wish for war," he declared, "and we hope China doesn't prepare for war."

Reuter reported on Nov. 27 that all south-bound traffic on the Tientsin-Pukow Railway was being halted at Tsinan in compliance with a demand by the Japanese military authorities. At first they pressed for the total suspension of the freight and passenger service on this line, but later agreed to compromise.

A detachment of Japanese troops visited the Tientsin-Pukow railway station in Tientsin in the morning of Nov. 27 and demanded the cessation of traffic on the ground that trains returning to North China from Pukow might be utilized for the transportation of Nanking troops for use against the Japanese. The Chinese authorities objected, and, following negotiations, an arrangement was reached whereby it was agreed that south-bound trains would not proceed beyond Tsinan, capital of Shantung. It is understood that freighters bound for the south are allowed to leave only when the northbound train arrives. This means that all rolling stock proceeding northward beyond Tsinan would be retained in North China. It is presumed, therefore, that the Chinese authorities will not allow northbound trains to travel beyond the Shantung capital.

It is understood that traffic on the Peiping-Hankow Railway may also be halted at some point for the same reason.

JAPAN DISPATCHES TRAIN LOADS OF TROOPS AND MUNITIONS TO TIENTSIN

The *United Press* reported that two trains loaded with Japanese War materials, believed to be mostly munitions, passed through Tangshan in the night of Nov. 30, en route south. The station-master at Shanhaikuan had been ordered to prepare to handle twenty trains loaded with troops and war materials. Foreign military authorities in Tientsin said that the Kwantung Army is composed of four divisions, and that one full division is to be moved to North China. It is further reported that 24 Japanese troop trains had been dispatched to Tientsin from Shanhaikuan in groups of eight. The first three trains, with troops and ammunition, were said to have arrived at Tientsin from Shanhaikwan Dec. 2. The average train-load of soldiers has generally numbered 300 men, and if the reports of trains leaving Shanhaikwan are confirmed, it is possible that 7,200 troops will soon arrive in North China. The trains, according to reports, are using Manchukuo rolling-stock.

About 100 Japanese soldiers belonging to the air corps arrived in Peiping from Chinchow Nov. 29. Several Japanese gendarmes are now still keeping watch of the Kwanganmen and Fengtai stations, checking the number of rolling stocks passing through, but do not interfere with the routine watch of the railway offices.

The Japanese authorities have requested Chinese railway officials in Tientsin to provide five locomotives and sufficient coal to bring troops from Shanhaikwan to Tientsin. The Chinese Chief of Police, accompanied by five Japanese officers, inspected buildings in the Hopei section of the city in which the late Marshal Chang Tso-lin's troops had been stationed. These buildings are situated in the vicinity of the central railway station and Japanese troops will be accommodated there.

The landing field of the China National Aviation Corporation at the East Arsenal in Tientsin has been taken over by Japanese troops. Despite the protests of the Hopei provincial government, Japanese military engineers are feverishly pushing forward construction work of a huge aerodrome, comprising an area of some 300 mow.

Twenty-one Japanese soldiers, mounted in two motor trucks and fully armed, arrived at Paoting from Tientsin by the Tientsin-Paoting highway in the afternoon of Dec. 3. After a brief rest there they proceeded to Jenchiu, a small town south of Paoting, for unknown purposes. Along the Tientsin-Paoting highway, Japanese military activities are seen at many points while several Japanese military planes are daily reconnoitering above Paoting.

Rengo reported that Gen. Shang Chen, Chairman of Hopei, wired his presignation Nov. 27 to the Nanking Government, holding himself responsible for the failure to check the rise of the autonomy movement in North China.

GENERAL HAN FU-CHU REAFFIRMS LOYALTY TO CENTRAL GOVERNMENT

Gen. Han Fu-chu, Chairman of Shantung, declared Dec. 1 that the movement for an autonomous government in other provinces of North China would have no effect upon him.

"No matter how hard other persons press, I will remain steadfast to my own policy," he told the *United Press* on Dec. 1. "I am chairman of the province, and consequently it is my duty to act on behalf of the Republic of China."

Revealing that he had lodged a protest with the Japanese Consul-General in Tsinan against the recent action of Japanese aeroplanes in flying over the city, General Han declared, "I have asked that I be given sufficient warning, if more planes are sent, so that I can inform Nanking before-hand."

The Shantung chairman, returning to the question of his loyalty to the Central Government, said, "as regards doubt of people in Shanghai concerning my loyalty, I say that a man who is doing great things cares neither for blame nor for praise." The autonomy movement, he declared does not express the will of the people. A few persons in Shantung approve of the movement, he aid, "but they are bad characters who seek to disturb the situation for their own interests, and cannot make serious trouble."

General Han emphatically denied that he intended to go to any North China city to confer with other military leaders regarding the present disturbed situation.

General Shang Cheng, Chairman of Hopei, has appointed Su Yu-chi to succeed Yin Ju-keng as the Special Administrator for the Luanchow-Shanhaikwan area, who has been desmissed from his past.

In a communique on Nov. 29, the Waichiaopu has notified all diplomatic envoys stationed in China that all action taken by Yin Yu-keng, ringleader of the "Autonomous Movement" in east Hopei, must be considered as null and void. Chinese diplomatic representatives abroad were also instructed by the Waichiaopu to serve similar notices to the respective Governments to which they ar accredited.

Wang Hsia-tsai, 36-year-old native of Chekiang, who had joined Yin Ju-keng's autonomous movement at Tungchow as Education Director, was summarily dismissed from his post as director of the Soochow Provincial Library by the Kiangsu Provincial Government Nov. 27. Wang was appointed secretary to Yin Ju-keng last summer, and since then has been travelling back and forth between North China and Soochow. The traitorous action of Wang has been greatly dennounced by the Kiangsu educational circles.

Ho Shih, resident representative of the Government at Kupeikow, in the Luantung Demilitarized Zone, who arrived at Nanking from Peiping Nov. 28, explained the following day how he became one of those who participated in the inauguration of the "East Hopei Autonomous Government." It was, he said, a ruse to ensure his personal safety.

More than ten districts in the Demilitarized Zone have wired their decisions to the Hopei Provincial Government that they will not take orders from Yin Ju-keng. The messages were sent in reply to a provincial government order to the effect that the bogus regime at Tungchow as proclaimed by Yin Ju-keng be ignored.

Seven hundred Chinese troops, commanded by Gen. Chang Yen-tien, who was named some days ago as one of the nine members of Yin Yu-keng's puppet regime in Tungchow left Tsangchow, 50 miles south of Tientsin Nov. 28, on a march northward. The troops form a part of the Army formerly commanded by Gen. Yu Hsueh-chung, erstwhile Chairman of Hopei.

Ten prominent educators in Peiping, including representatives of five universities, the Academia Sinica, and the National Library, have despatched a telegram to the Executive Yuan in Nanking concerning public feeling in North China. The message reads:

"In the past two days there have appeared in the press several telegrams giving the impression that there is a public sentiment in North China for local autonomy. From personal observation we know positively that despite the handbills distributed by persons hired for the purpose, no section of the population of any profession or trade has any desire for autonomy or separation from the Central Government. We hope you will not be misled by these telegrams. We hope that both the central and local authorities will use all the means at their disposal to maintain territorial and administrative integrity."

Hsiao Fu-cheng, one of the most influential members of the Southwest Political Council, has strongly urged for the issuance by the National Government of a punitive order against Yin Ju-keng.

General Chen Chi-tang and General Li Tsung-jen have sent a telegram to the Central Government demanding the suppression by force of the autonomous movement of Ying Ju-keng in the Demilitarized Zone.

A pro-Japanese organ known as the Pan-Asian League was inaugurated in Tientsin December 2 with Li Sheng-to, former Minister to Japan, as President. Kao Ling-wei, former Director-General of the Chinese Maritime Customs at Peiping, and General Chi Hsieh-yuan, former Inspector-General of Kiangsu, Anhwei and Kiangsi provinces, were elected vice-presidents. Admiral Wu Yu-lin, former Minister of Communications, Lu Tsung-yu, former Minister plenipotentiary to Japan, Sun Yun-yu, former member of the Constitution-Drafting Committee of the Kuomintang, and General Lu Hsiang-ting, former Divisional Commander under late Marshal Sun Chuan-fang, are the promoters of the league. The Pan-Asian League, it is stated, advocates the solidarity of Asiatics for the mutual benefit of "China, the greatest of all Asian nations and Japan, the strongest, each of which has a great responsibility to discharge."

An incident alleged to have cost the lives of two Japanese is reported from Tawangchang, a village situated east of Tientsin, according to a *Reuter* message. The two Japanese are said to have gathered the villagers together on Nov. 30 and to have harangued them on the subject of autonomy.

C. T. WANG CALLS ON HIROTA IN TOKYO

Dr. C. T. Wang, formerly Minister for Foreign Affairs at Nanking, called at the Foreign Office Dec. 2 and had an interview with Mr. Hirota, the Japanese Minister for Foreign Affairs, and Mr. Shigemitsu, the vice-Minister. Discussing the Sino-Japanese situation at his daily conference with pressmen Dec. 2, the spokesman of the Foreign Office said Japan considered that the departure of General Ho Ying-chin for North China signified that General Chiang Kai-shek did not want to discuss affairs there with the Japanese Ambassador, Mr. Ariyoshi.

China's willingness to negotiate with Japan on a fundamental readjustment of Sino-Japanese relations on the basis of the "three principles" enunciated by Foreign Minister, Koki Hirota, was revealed by Tang Yu-jen, Vice-Minister, for Foreign Affairs Nov. 26, according to *Rengo*. The Central Government will simultaneously seek a solution of the northern problems, which, he added, have injected an element of uncertainty into the relations between the two countries. The newly established Peiping office of the Executive Yuan to be headed by Gen. Ho Ying-chin, will be empowered to deal with both foreign and domestic affairs, Mr. Tang stated. Problems affecting Sino-Japanese relations will be be handled by Gen. Ho on the spot, while he will also be at the head of the military and political administration in North China, the Vice-Minister added.

JAPANESE 'RONINS' REPORTED ACTIVE IN CANTON

The South China Japanese Consular Conference, opening at Hongkong Nov. 30, was attended by the Japanese Consuls-General of Amoy, Foochow, Swatow, Canton, and special representative from the Japanese Government in Formosa. Discussions at the conference are relative to the following problems: (1) Measures to be taken against the anti-Japanese activities in South China, (2) Measures to be taken to bring about closer cooperation between Japanese Consuls-General in South China, (3) Measures to be taken to promote Japanese trade in South China, and (4) Measures to be taken to protect Japanese residents in South China.

General Chen Chi-tang, commander-in-chief of Kwangtung forces, is in receipt of secret reports to the effect that about 600 "ronins" of a certain alien country are extremely active in Shamen, (the foreign concession of Canton), and three offices of Chinese traitors and these 'Ronins' have been organized in the district. Upon receipt of the information, General Chen immediately called a secret conference of high military authorities of Kwangtung and discussed means and ways to check any disturbances in the city by these people.

Rumours that the Japanese communities of Chungking, Ichang, and Shasi were evacuating these cities and leaving for Japan were categorically denied Dec. 2 by Y. Shimizu, the Japanese Consul-General at Nanking.

NEW C.E.C. MEETS TO DISCUSS REORGANIZATION OF NATIONAL GOVERNMENT

Members of the newly elected Fifth Central Executive and Supervisory Committees of the Kuomintang were sworn into office at the opening ceremony of the First Plenary Session of the C.E.C. on the morning of Dec. 2 at the Central Party Headquarters. Out of the total of 260 members, 174 were present at the ceremony to take their oaths of office which were administered by Wu Chih-hui, veteran member of the C.S.C.

The form of oath is as follows:

"I hereby solemnly and sincerely swear:

"To observe the bequeathed teachings of the late Party Leader.

"To abide by the Principles of the Party,

"To observe the discipline of the Party,

"To obey the orders of the Party,

"To strictly guard the secrets of the Party,

"To absolutely refrain from organizing or joining any other political organization,

(Continued on page 28)

Yen 551 Millions for Japanese Navy; Yen 508 Millions for Army—A Ten Billion Yen Debt

A COMPROMISE on the terms of the Japanese budget for the next fiscal year was reached Nov. 30 between the Ministry of Finance and the Ministries of War and Navy, after an all-night discussion meeting.

The last few hours of the Cabinet's meeting were devoted to a bitter contest as to whether the Army should get Yen 8,000,000 or Yen 10,000,000 in so-called "revived" appropriations. These are sums which, after having been pared down by Ministry of Finance officials, are restored by the Cabinet.

The Navy, in accordance with the agreement, will be given a total budget of Yen 551,000,000, and the Army will receive Yen 508,000,000. The total budget for all purposes will be Yen 2,272,000,000.

The total budget still represents an increase of nearly Yen 80,000,000 compared with that of 1935-36.

Gen. Kawashima glumly declared that although neither the General Army Staff nor the War Office were satisfied, they had agreed to the reductions "in view of the state of national finances."

The Army and Navy obtained satisfactory increases of budgetary allowances as a result of the intervention of the Imperial staff, who vigorously opposed the attitude of the Minister of Finance, Mr. Takahashi, that further retrenchment was necessary.

Banking circles and other interests are represented by financial writers as being well pleased with the new budget because smaller bond issues will be necessary, while business circles are satisfied with the appropriations for the Army and Navy.

Japan will have borrowed more than Yen 10,000,000,000 early in 1936, statists predicted in Tokyo, Dec. 1. By Oct. 30, official returns showed, the nation's bonded indebtedness stood at Yen 9,558,000,000. To this figure will soon be added a substantial amount of deficit bonds, authorized under this year's budget, while Yen 680,000,000 of "red-ink" borrowing will have to be done next year to balance that of 1936-37 under the terms of a Cabinet decision Nov. 30 it was pointed out.

Takahashi Tries Hard to Curb Army and Navy

Firmly standing his ground against the combined onslaughts of the Ministers of War and the Navy, Korekiyo Takahashi, Japan's 82-year-old Minister of Finance, Nov. 27 again caused a Cabinet meeting specially convened to discuss the 1936-37 budget to adjourn without reaching an agreement. Mr. Takahashi stubbornly withstood a siege of 2½ hours as General Yoshouki Kawashima, speaking for the Army, and Admiral Mineo Osumi, representing the Navy, asked that part of the draft estimates of their respective services, pared down by Exchequer officials, be "revived."

Moscow Says Japanese Bourgeoise Are Appalled at Demands of Militarists

Moscow *Pravada* Dec. 2 commented:—"Fulfillment of the task of conquest in China already has been a colossal strain to Japanese finances. The Manchurian occupation has been a heavy burden on the shoulders of the Japanese nation. Due to excessive military expenditures the Japanese budget continues to be balanced with the aid of special loans to cover the deficit. This is precisely the objection of the more sober groups of Japanese bourgeoise to the demands of the adventurous elements. They fully realize the difficulties connected with a large scale military adventure. Takahashi, an authoritative representative of part of the financial board, realizes clearly all the difficulties of war with the U.S.S.R."

Lack of Assimilation of Public Bonds Causes Fear of Inflation

The *Jiji* Nov. 27 stated that the public bonds in the hands of the Bank of Japan since January up to October, with the exception of rice bills and other short-term loans, have been assimilated on the market at the rate of Yen. 70,000,000 or so each month. With the coming of November, however, assimilation has grown extremely bad and between the first of the month and the 25th 4-per cent interest bonds which the Bank of Japan had sold to banks, trust companies and bill brokers amounted to only Yen 1,300,000 to Yen 1,400,000, the lowest figure since the Bank started its market operation at the end of 1932. The view is gaining ground that funds circulated by the issue of deficit-covering bonds will not necessaruily be invested in the public bonds held by the Bank of Japan as hitherto, but that the amount of public bond holdings of the Bank will steadily increase, so that currency inflation is inevitable.

Naval Changes Gazetted Dec. 2

Delayed because of the tenseness created by the slaying of a Japanese sailor in Shanghai on Nov. 9, extensive changes among high ranking officers of the Navy were gazetted Dec. 2.—

Among the appointments made are the following: Vice-Admiral Gengo Hyakutake, commander of the Third Fleet, which is stationed in China waters, was promoted to commander of the Sasedo Naval Base, and succeeded by Vice-Admiral Koshiro Oikawa, recognized as the leading expert on China in the service; Rear-Admiral Teijiro Sugisaka, commander of the Eleventh Squadron on the Yangtze, was assigned for duty with the General Naval Staff and his post filled by Rear-Admiral Masaharu Hibino; Rear-Admiral Sabaaki Araki, who commanded the Special Naval Landing Party in Shanghai was made chief of the Defense Corps at Yokosuka. Rear-Admiral Eijiro Kondo, chief of staff of the Third Fleet, took the post vacated by Rear-Admiral Araki; Rear-Admiral Seiichi Iwamura, who arrived in Shanghai recently for service with the Third Fleet, now become its chief of staff.

Army Officers in China Changed

Several Japanese Army officers assigned to duty in China were affected by the periodic transfer and promotion orders issued in Tokyo Dec. 2. Col. Gennosuke Matsui, attached to the headquarters of the Japanese Forces in North China and residing in Kalgan, was transferred to Hiroshima where he will teach military science and tactics at the University there; Col. Toshitori Nagami is relieving Col. Takashi Saki as chief of staff of the Tientsin forces, while Lieut.-Col. Sumihisa Ikeda, a member of the Military Affairs Bureau of the War Office, takes a staff post with the North China garrison. Other officers detailed to Tientsin are Lieut.-Col. Takaji Wachi, of the Army General Staff; Major Kiichi Nagamine, staff officer of the Fifth Division; Major Hiroshi Hamada, staff officer of the Tenth Division and Major Yoshiro Hayama. Major Takeo Imai, a member of the General Army Staff, was appointed assistant military attache to the Japanese Embassy in China.

Japanese Empress Gives Birth to Son

Empress Nagako gave birth to a son in Tokyo Nov. 28. The living children of Emperor Hirohito and Empress Nagako are Crown Prince Akihito Tsugu, who will be two years old on Dec. 23; and Princesses Shigeko Teru, Kazu-ko Taka and Atsuko Yori.

New Military Councillors Invested

Two generals and three lieutenant generals were invested by the Emperor with the post of supreme military councillor in a ceremony in the Phoenix Hall of the Imperial Palace in Tokyo, Dec. 2. Those who were confirmed in their appointments included Gen. Giichi Nishi, former commandant of the Tokyo Garrison; Gen. Kenkichi Uuda, former commander of the Korean Army, who led the Japanese Expeditionary Force to Shanghai in 1932; Gen. Count Jyuichi Terauchi, former commander of the Formosan Army and son of the late Count Seiki Terauchi, one-time Premier.

Mr. Ichiki Named N.Y.K. Managing Director

Mikio Ichiki, former manager of the Kobe branch of the Nippon Yusen Kaisha, has been elected a director of the said shipping firm, succeeding Kenkichi Kagami as managing-director.

Raw Cotton Imports Cause Turn in Balance of Trade

Large shipments of raw cotton to replenish diminishing stocks caused Japan's foreign trade for the last ten days to end with an excess in imports for the first time since the latter part of June, the Ministry of Finance announced Nov. 30.

Ex-Ambassador Debuchi Tenders His Resignation from Diplomatic Service

Katsuji Debuchi, former Japanese Ambassador to Washington, Nov. 27 intimated his desire to retire from the diplomatic service.

Pigeons to Be Used to Prevent Train Wrecks

Carrier-pigeons, widely used in Japan by newspapers and by the Army and the Navy, are about to enter into a new career—one of preventing train wrecks. Under plans prepared by the Nagoya Railway Bureau of the Government lines, carrier pigeons will be distributed to all line maintenance posts for use in emergencies when snowfall and avalanches interrupt telegraph and telephone communications this winter.

Revolutionary Transmitting Invention Claimed in Japan

Successful experiments were carried out by the Ministry of Communications in Tokyo Nov. 28 with a new automatic telegraph transmitting and receiving apparatus, which, its inventors claim, will handle 12,000 to 20,000 letters a minute. The maximum capacity of high-speed apparatus now in use is 300 to 400 letters a minute. The new machine uses a photo-electric cell—the basic element in the "electric eye—to transform light impulses into electric ones and vice-versa, entirely discarding the present practice of using magnetic devices actuated by electricity for telegraphic transmissions.

Negotiations with Netherlands Indies to Be Reopened

Appointment of Yutaka Ishizawa, a secretary of the Third Section of the Commercial Affairs Bureau of the Foreign Office, to the post of consul-general at Batavia Nov. 27 has added weight to the growing belief that the Japanese authorities

are quietly planning to reopen the trade negotiations with the Netherlands East Indies, which adjourned almost a year ago.

More Japanese Decorations Awarded for Services in Manchuria and Shanghai

Decorations have been awarded to 2,725 naval officers and men, 1,573 civilian employees of the Navy and 4,232 civilan employees of the Army in Japan in recognition for their services in the Manchurian and Shanghai conflicts.

Health Institute, Rockefeller Gift, to Be Built in Tokyo

Ground was broken in Tokyo Dec. 2 on the site where will soon rise Japan's first public health institute. The structure, which will cost Yen 1,600,000, and the two branches of the institute were made possible by a Yen 3,600,000 gift of the Rockefeller Foundation to the Japanese Government for the promotion of public welfare.

Government Raises Dividend of Iron Firm

In an effort to increase the national revenues in 1936-37, the Government Nov. 29 decided to raise next year's dividend of the state-controlled Japan Iron Manufacturing Company from six to seven per cent per annum.

"Mongols Are Dangerous," Says Hsinking Foreign Office

The Manchukuo Foreign Office issued a statement Nov. 27 holding Outer Mongolia responsible for the breakdown of the Manchuli Conference, incidentally adding that it would henceforth regard Outer Mongolia as a dangerous and mysterious area adjoining Manchukuo and will take the initiative in settling pending questions and future issues with her. A spokesman of the Hsinking Foreign Office hinted that Manchukuo was strengthening her defences along the Outer Mongolia frontier. He roundly criticized Outer Mongols for their unconciliatory policy and for standing pat on their original exclusionist policy while at the same time spreading "insulting and pernicious propaganda" against the Manchukuo attitude.

Matsuoka Says S. M. R. Will Not Take Rash Action in North China

Yosuke Matsuoka, new S.M.R. president, stated in Tokyo Dec. 1 that while the South Manchuria Railway Company proposes to participate in the development of North China, no project will be undertaken unless it has been found to be a commercially sound investment after painstaking examination. All S.M.R. investements in North China will be made through the Hsing Chun Kungsu, its subsidiary, which will seek to promote Sino-Japanese economic co-operation. It will directed by Shinji Sogoh. The other main item on his program, Mr. Matsuoka asserted, is the unification and the rationalization of railway operation in Manchukuo.

Pope Sends Gift to Emperor Kangte

A gold medallion with a portrait of Pope Pius XI was handed to Chang Yen-ching, Foreign Minister, by the Papal Nuncio in Hsinking, Nov. 25 as His Holiness' personal gift to Emperor Kangte. The papal emissary had just returned from Rome.

New German Consul Sees General Minami

Herr G. Rosen, the new German Consul in Mukden, Nov. 28 paid a courtesy call on Gen. Jiro Minami, Japanese Ambassador to Manchukuo and concurrently Commander-in-Chief of the Kwantung Army. Later he visited the Foreign Affairs Department of the Manchukuo Government.

German Economic Mission Arrives in Hsinking

Seven German officials and business men, comprising the Reich Economic Mission to the Far East, arrived in Hsinking Dec. 2. They called on Gen. Jiro Minami, Japanese Ambassador and commander in chief of the Kwantung Army, after which they made courtesy visits to various Manchukuo Government offices.

German Company to Help Develop Iron Deposits

A rich vein of iron ore, stated to have an iron content of 60 per cent and deposited in hundreds of millions of tons has been struck, in the interior of Manchuria near the Nanfen station on the Antung-Mukden line. Keitoku Ueshima, engineer of the Daido Eelectric Company at Dairen, who holds the rights to exploit the new mine, is now negotiating to establish a large-scale iron foundry on the spot. The German Otto-Wolff Machinery Company (according to *Hochi*) intends to invest Yen 40.000,000 worth of its machinary in the projected company in the form of loans in exchange for Manchurian soya.

New Communication System To Link Japan and Manchukuo

Another communication system linking Manchukuo with Japan will be added to the two existing lines before the end of this year. A *Rengo* message from Mukden Nov. 29 stated the new system will include the Manchukuo state railways, the Korean Railways, and steamship lines operating between Korea and ports in Honshu, Japan. Negotiations among the concerns involved are nearing completion. Of the existing two systems, one links the South Manchuria Railway with Japan at Dairen, while the other connects Nippon with the Korean railways at Fusan.

Chinese Christians Released by Japanese

According to despatches from Mukden this week the Japanese authorities there end of last week released a further eight Chinese Christians, between 60 and 70 of whom were arrested early in November. The latest releases are said to include four employees of the British-American Tobacco Company and one Presbyterian pastor.

Manchukuo Asks for Apology for Alleged Border Incident

In a protest filed with the Soviet Consulate at Manchouli Nov. 26, the office of the Manchukuo Foreign Office there asked for an apology from the U.S.S.R. for the alleged illegal entry into Soviet territory of a Russian patrol along the Argun River on Nov. 19. According to a dispatch from Hsinking the note also asked for the punishment of the responsible officer and a guarantee against the recurrence of such an incident.

Soviets Protest Against Japanese Navigation of Sungari

On Nov. 28 M. Yurenev, USSR Ambaasador to Japan, lodged a protest with M. Hirota, Japanese Foreign Minister, against a cutter, flying the Japanese flag, leaving the mouths of the Sungari River and sailing down the Amnr River. Oct. 29. Previous attempts to navigate the Amur and Ussuri rivers by ships under the Japanese flag were also referred to.

Soviets Buy Old Steamers for Baltic and Black Sea Trade

Soviet Russia has continued during the year to buy old freight steamers, so as to cope with the demand for means of transportation within the Union. During the first ten months of 1935, seventy cargo steamers, with a tonnage of about 250,000 tons, thirteen trackers and numerous smaller vessels were bought by the Soviets, chiefly from Holland and Germany. The vessels are mainly used in the Baltic and the Black seas.

Khabarovsk-Vladivostok Trunk Highway Is Completed

The construction has been completed of the great trunk highway from Khabarovsk to Vladivostok, 800 kilometers in length. The new road crosses a number of big rivers and several mountain passes. Cutting through the Khabarovsk, Ussuriisk and the Maritime Provinces and connecting 20 agricultural regions with the center of the Far East, the new road partly relieves the freight traffic of the railway and facilitates further speedy economic and cultural development of the Region. Roads are now being laid from the neighboring agricultural regions to the new highway, which noticeably increased the trade turnover between the collective farms and the urban center.

Tea Production in Azerbaidjan to Be Pushed

A *Tass* message from Baku, Oct. 27 stated that the natural conditions of Azerbaidjan, especially in the Lenkoran and Astera regions, offer rich prospects for the development of tea plantations. An area of 15,000 hectares has been found suitable there for tea cultivation, of which 5,000 hectares do not require any reclamation work. New tea plantations, comprising an area of 350 hectares, will be laid out in Soviet Azerbaidjan next year.

Soviet Pacific Institute Will Take Active Part in California Conference Next Year

The Soviet Pacific Institute, which is affiliated with the International Institute of Pacific Relations is actively preparing for the forthcoming conference of the Institute to be held in California in 1936. *Tass* says the Institute is preparing material on the problem of the differences in thePacific and on the national policy of the U.S.S.R. in the Soviet Far East and a collection of articles, describing the economic development and Socialist upbuilding of the Far Eastern Region of the U.S.S.R. At the same time, the Institute is preparing for publication of a special collection of articles by Soviet authors on a number of questions concerning politics and economic matters in the Pacific countries.

S. M. Police Hold Alleged Embezzler While Appeal Is Made to Soochow

"Peter" Young, arrested by detectives of Dixwell Road Police Station recently at the request of the extra-Settlement authorities as he was suspected of having embezzled over $200,000 of the Hongkong branch of a bank in Canton, was ordered by the First Special District Court Nov. 30 to be handed over to the Shanghai Public Safety Bureau who had been asked by the Canton authorities to effect the man's arrest. The lawyer for the arrested man filed a protest against the decision, whereupon the Judge ordered that the man be temporarily held by the S. M. Police, pending a decision by the Kiangsu High Court regarding the accused's protest.

Japanese "Knife" Minister Kung's Plan to Have Foreign Banks Give Up Silver

AMONG the important questions still outstanding in connection with China's financial problem is whether the foreign banks in China will agree to hand over their stocks of silver to the Chinese government. So far their attitude has been that the holding of these stocks has no connection with the success or otherwise of China's financal reforms. The Shanghai *Mainichi* Nov. 28 printed a telegram from Peiping to the effect that the visit of Sir Frederick Leith Ross to North China is for the purpose of urging the Chinese banks in Peiping and Tientsin to transfer their silver reserves to the British banks, in order to avoid the possibility of having them detained by the Japanese. This, if true, would be a direct perversion of the Chinese Government's plans, which envisage the turning over of all stocks of silver in China to the three Government banks in conformity with Nanking's decree of Nov. 3 nationalizing the white metal. So far the foreign banks have held their silver, but kept it strictly inactive. The local Japanese are opposed to giving up their silver stocks and in these circumstances there are no indications, so far, that the foreign banks will agree to turn over their silver. However, Finance Minister Kung is still working on the problem, and will probably be able to bring pressure on one or more of the individual banks sufficient to break down the united opposition. The *Shanghai Nippo* Dec. 12 again took the National government to task for allegedly having failed to consult foreign Powers and bankers before embarking on the silver nationalization program. The *Nippo* said that the Chinese authorities were "perversely wilful" in taking such action on their own responsibility and forecast difficulties barring the path of the proposed Chinese plan to obtain the silver held by foreign banks in exchange for banknotes. Citing the failure of the National Government to present the foreign bankers with conditions which would satisfy them, the paper remarked that "it is only natural that the Nanking Government's demands have met with a cool reception from foreign bankers, with the exception of the British, who have been on particularly good terms with China since he latter's enforcement of the new currency scheme."

Details are given below of the action taken by the Japanese consular authorities warning their nationals against smuggling silver out of China. This may be taken as a tacit admission that previously the smuggling had been done with the official knowledge, if not actual connivance of the Japanese authorities as part of the general plan to embarrass the Chinese Government in its financial policy; but, now that Japanese merchants have complained that this smuggling has hurt their interests, steps are being taken, for the time being at least, to prevent it.

Japanese Say Nanking Government Tries to "Buy" Silver from Foreign Banks

The Japanese press regularly uses such phrases as "owing to Chinese failure in the nationalization of silver," in order to create an unfavorable impression. The Shanghai *Nippo* Dec. 30 stated: "The National Government is secretly purchasing silver from the people. Moreover, the Nanking Government finds it hopeless to force banks to transfer the white metal to Chinese Government controlled banks, and therefore is attempting to purchase silver from the former at a reasonable price. At the same time, the Chinese authorities are vigorously enforcing the so-called open market operation in purchasing large amounts of bonds in the market. They purchase silver because they want to make it possible for the Government banks to issue more notes, thus leading to the further development of inflation in the country."

On the same date the *Nippo* printed the following from Tientsin: "It is reported that prior to his departure for the North, General Ho Ying-chin sent his representative secretly to bring $5,000,000 worth of notes issued by the Central Bank of China to General Sung Cheh-yuan. General Sung, however, refused to receive them. Measures are now being taken by General Sung to prevent the Nanking representative from bribing his followers in order to destroy his power."

Stringent Regulations Regarding Exchange of Silver Approved by Executive Yuan

Two sets of regulations governing respectively the exchange of legal tender notes (*fa-pi*) and use of silver in manufacture of silver articles, were issued by the Ministry of Finance and approved by the Executive Yuan Dec. 1. All banks (both modern and native), shops, business houses, public organizations, and individuals throughout the country, having in their possession silver coins, mint bars, raw silver, silver ingots, silver bullion, and all other forms of silver and/or silver articles, shall turn them over to the nearest local exchange office in exchange for legal tender notes (*fa-pi*) within three months, beginning from Nov. 4. From this order are exempted:—Silver absolutely indispensable as raw material for industrial, artistic or other lawful purposes; ancient coins, rare coins, or ancient silver relics having cultural value; silver utensils and ornaments manufactured and in possession of owners prior to the promulgation of the regulations.

When exchanged for legal tender notes, all silver articles, other than silver coins or mint bars in current circulation, shall be evaluated on the basis of the degree of their fineness (percentage of silver content).

In districts where no legal tender notes are in circulation, persons in possession of silver dollars, silver bars, raw silver, silver ingots, silver bullion or other forms of silver and/or other silver articles shall have them exchanged for legal tender notes.

The silver is to be turned over to the nearest branch or authorized agent of any one of these three banks:—The Central Bank of China, The Bank of China, and The Bank of Communications, in exchange for legal tender notes. Hoarding, concealing or using silver for other purposes shall be construed as criminal acts.

In the exchange of silver dollars in current circulation for legal tender notes, no difference whatsoever shall be permissible; i.e., the exchange shall be dollar for dollar. In case of violation of this provision, in accordance with the degree of the offence committed, the legal tender notes or the silver dollars involved, or both the legal tender notes and the silver dollars involved, shall be confiscated, exchanging silver coins or silver articles at a premium with or without intent to smuggle the same shall be dealt with in accordance with Articles 2 and 5 of the Provisional Regulations governing Punishment for Interference with the National Currency.

The regulations covering the use of silver in manufacture among other things stipulate that raw silver or silver bullion required by manufacturers of silver articles shall be purchased through The Central Bank of China, The Bank of China, The Bank of Communications or specially designated agencies. However, the purchase shall be conditional upon a written guarantee being furnished by the local Silversmiths' Guild or the Chamber of Commerce to the effect that the Guild or the Chamber of Commerce will be jointly and severally responsible for any violation of these regulations.

Would-be Smugglers of Silver Caught at Canton

When $600,000 in silver was being removed on a large cargo boat across the harbor opposite Shameen (Foreign Settlement at Canton) early in the night of Nov. 16 watchers for the Treasury spotted the boat and ran their launch alongside. Two foreigners are said to have been in charge of the money, but it

was appropriated by the Government people just the same, according to the Canton correspondent of the *N. C. D. News*. The silver was apparently being taken to a foreign gunboat, but substantiating proof is lacking. It is believed as the owners are foreigners, there will not be an outright confiscation, but the equivalent of the $600,000 in Provincial Bank notes will be, or has been, tendered them.

Japanese Authorities Take Steps to Stop Silver Smuggling

Japanese residents in Shanghai have been warned against taking part in silver smuggling activities, in an official admonition issued by Itaro Ishii, the Consul-General. The consular police simultaneously were instructed to take rigid action, paying special attention to departing ships. The baggage of suspicious characters will be thoroughly searched, even should such action delay the sailing of a ship. The police in Japan also have been asked to prevent the sailing to China of persons intending to buy silver. More than 300 persons, believed to be silver buyers, arrived on the ss. *Shanghai Maru* Nov. 30, and hundreds arrived on other ships, including many by Dollar Line boats. This action by the Japanese authorities did not signify their support of the Chinese currency measures, Arata Sugihara, a consul, told *Rengo*. "We took these steps from an entirely independent standpoint. It has no relation to the Chinese statute nationalizing silver," he said. Eight Japanese who attempted to smuggle silver out of Shanghai were arrested by the Consular Police Dec. 4. The Consular Police have warned would-be smugglers that if they embark on non-Japanese vessels the Japanese authorities would not be able to interfere in case their silver holdings were confiscated by the Customs.

More Would-be Buyers of Silver Are Hi-Jacked

Further instances of Japanese eager to buy silver being hi-jacked by Chinese occurred this week. Takeo Kunie, 25, a clerk in a Woosung Road store, having contacted one Shih Lao-wu, the latter told him to come to a house in a lane off Range Road. He handed Shih the money and after waiting for about 30 minutes outside the house he entered only to find that it was vacant. An other Japanese, a resident of Nagasaki is reported by the Shanghai *Mainichi* to have been muleted of more than $1,000 and to have brought his tale of sorrow to the Hongkew Station of the Shanghai Municipal Police.

Japanese Merchants Protest Against Smuggling by Fellow Countrymen

The large-scale smuggling of Japanese goods by Japanese and Korean "ronins" in North China has aroused opposition among legitimate Japanese merchants and industrialists in Tientsin. *Kuo Min* says that in four and-a-half months (between June and the middle of October), 21,400 cases of contraband goods, worth $6,900,000, have been smuggled by "ronins" into the port, artificial silk being the largest item.

Dr. C. T. Wang Asks for $200,000,000 Loan From U.S.?

Dr. C. T. Wang, former Chinese Minister of Foreign Affairs, who sailed from Shanghai to Japan last week, by the Dollar liner s.s. *President Jefferson* approached John N. Garner, American Vice-President, a co-passenger, with a request for a U.S. $200,000,000 loan to China, the local Japanese press reported Dec. 1. According to reports appearing in all the Japanese dailies, the Chinese diplomat made his proposal between Shanghai and Kobe. The proceeds of the loan would to be used for the laying of new railways and not diverted to military use, Dr. Wang is alleged to have assured Mr. Garner.

A telegram from Washington Dec. 3 said that nothing of the supposed request was known there.

Szechuan Borrows $12,000,000

Dr. H. H. Kung, Minister of Finance has agreed to the proposals of Mr. Liu, Commissioner of Finance for Szechuan, calling for another loan of $12,000,000 for the rehabilitation of Szechuan finance.

Kwangtung Reconstruction Bonds Mortgaged for $3,000,000

The Kwangtung Reconstruction Bonds of the 24th Year of the Chinese Republic amounting to $5,000,000 issued on Dec. 1, with the approval of the Legiszative Yuan, have been mortgaged to Shanghai banks for a sum of $3,000,000 according to financial circles.

Overdraft Facilities Granted by Three Government Banks

At the request of the Shanghai Bankers Association, the Ministry of Finance has approved a set of regulations by which overdraft facilities are granted to private Chinese banks by the three Government banks, namely, the Central Bank of China, the Bank of China and the Bank of Communications.

Peiping to Have Copper Coin Reserve Board

The Peiping authorities have decided to organize a copper coin reserve board and issue paper notes of copper coin valuation amounting to $300,000 for circulation in the market. The Tientsin authorities are planning to issue copper coin paper notes to the amount of $200,000. Because of the increase of price of copper, very little copper coins are being circulated in the Peiping market at present. The stores are finding it extremely difficult to handle small transactions and are, writing temporary promissory notes in copper coins to meet the situation.

The Ministry of Finance has instructed the Director of the Tangshan Office of the Consolidated Tax Bureau for the Hopei-Shansi-Charhar-Suiyuan Area to carry on as usual and to ignore the demand of the rebels under Yin Ju-keng to hand over the office to them.

In view of serious financial stringency in Foochow, the local Chamber of Commerce, in an urgent telegram to the Ministry of Finance, has requested the appropriation of $1,000,000 to meet the financial crisis.

Pursuant to instructions from the Ministry of Finance, the Tsinan-Tsingtao Branch of the Currency Reserve Board will be established at Tsinan, with a sub-branch at Tsingtao.

The Canton branch of the Bank of Canton will be reopened and start doing business as usual December 9. The Kwangtung Provincial Government has already authorized the step to be taken. As soon as it starts doing business, it will take steps immediately to liquidate its debts.

A joint Currency Reserve Board will be organized by four banks in Taiyuan, including the Shansi Provincial Bank, to facilitate the exchange of silver for legal tender notes. A decision to this effect was reached at a meeting convened Dec. 2 by General Yen Hsi-shan, Director of the Taiyuan Pacification Headquarters.

Negotiations are now proceeding apace between the Ministry of Finance and Messrs. Lin Yun-kai and Huang Hsu-chu, chairmen of the Kwangtung and Kwangsi provincial governments respectively, for effective enforcement of the new currency reform measures in the two southern provinces.

Ministry of Finance Mints Nickel Subsidiary Coins

Minting of silver, nickel and copper subsidiary coins is now under way by the Ministry of Finance as an urgent corollary for the facilitation of exchange consequent upon the nationalization of silver. A recent Nanking message stated that as there has been an increasing demand for legal tenders in smaller denominations than the dollar unit, it is understood that the new subsidiary metallic coins will be put into circulation in the very near future.

Peiping Mayor Entertains Sir Frederick Leith-Ross

A dinner party in honor of Sir Frederick Leith-Ross, and Lady Leith-Ross was given by General Chin Teh-chun, Mayor of Peiping, at the Municipal Government Dec. 2. A correspondent from Tientsin stated in the *China Press* Dec. 4 that it was rumored that Sir Frederick had received the hint from Japanese officials in the North China area that they would appreciate his leaving within 48 hours.

$500,000 Loan for Troop Payments in Hunan

As no pay has been given to the soldiers of the 4th Route Army in Hunan for some time, a loan of $500,000 has been concluded between the Army commanders and the Central Bank of China, the Bank of China and the Bank of Communications. With expenses paid, the divisional commanders of the Army, Generals Lo Shiao and Chang Liang-li, left Changshai this week for Liuyang and Yueling (Hunan) respectively, to direct Communist suppression activities.

Million Dollars Worth of Silver Sent to Shanghai from Changsha

The branch offices of the Central Bank of China, the Bank of China and the Bank of Communications at Changsha, Hunan, sent to their head offices in Shanghai this week a total sum of one million dollars' worth of silver. It is being stored in the vaults of the three banks in Shanghai.

General Chen Chi-tang Requests Money from Nanking

General Chen Chi-tang has asked Chow Lu and Liu Chi-wen, delegates from the Southwest, now remaining in Nanking, to ask the Nanking Government to pay certain debts, including $37,940,000 in loans from the defunct Central Bank of Canton, now the Kwangtung Provincial Bank, and $33,420,000 in bonds, which were issued by the Ministry of Finance of the National Government, before the Northern Expedition.

Canton Promulgates Anti-Export Silver Measures

At Canton the Finance Commissioner's Office and the Provincial Department of Finance have promulgated several regulations supplementary to those for prohibiting export of silver. They are as follows: Including a provision that transporting of silver to Shamseen or any place inside the province which has outlet to other provinces, Hong Kong, Macao, Kwangchowwen, Tunghing is prohibited; carrying of silver from one place to another inside the province which has no outlet to other provinces, (Hong Kong, for example) is not prohibited.

Finance Ministry Approves Plan for Industry Relief

The Ministry of Finance has approved in principle the petition of a group of industrialists in Shanghai, including Yu Ya-ching, the well-known shipping magnate, and Yung Chung-chin, popularly known as "Flour King of China," to appropriate adequate funds for the relief of Chinese industries. The Ministry is understood to have already instructed the Central Bank to study and formulate measures for the carrying out of the points mentioned in the petition and to accommodate relief funds to industries as much as possible.

The Autonomous Show in North China

BY T. S. YOUNG

MAJOR General Doihara of the Japanese Kwantung Army, the world-renowned producer of puppet shows, will soon earn a new sobriquet as "the Lawrence of North China," if the production which he is now sponsoring can be successfully staged without mishap. For some time, this arch-intriguer has been travelling back and forth between Peiping and Tientsin in an attempt to sell his political wares to the leading Chinese officials in North China. Carrying a bag full of political tricks in one hand and a purse filled with money in the other, he can infallibly enlist the aid of a few unprincipled Chinese officials to play the assigned parts of his production. Should at any time his political tricks and money fail to bring him successful results, he can yet play his last trump card by calling forth the military demonstrations to intimidate the recalcitrant Chinese officials to submission. Thus, whenever he is determined to stage a puppet show, he has always been successful in carrying out his determination.

According to the first announcements from Japanese sources, the puppet show to be staged in North China promised to be an all-star production, in which all the leading figures of five northern provinces including Hopei, Chahar, Suiyuan, Shansi and Shantung would play their respective parts. But for some reason or other, this superproduction has been postponed for the time being, and in its place, a small and less attractive show under the name of the "East Hopei Autonomous Government" has been put up in the so-called Demilitarized Zone. The show is starred with a third-rate official, and therefore devoid of any attractive features. Though it is generally condemned as a poor and miserable farce, yet who can tell that it will not be followed by an all-star production in the immediate future?

Puppet Show in North China Not So Easy

Gen. Doihara may not have as easy a time in staging a puppet show in North China as he had in Manchuria. He may meet with cold receptions from many quarters to his political fantasies. And he may fail to stage the super-production all at once as first announced. But he has not as yet played all his trump cards. By concentrating Japanese soldiers in Peiping and Tientsin and seizing the strategic railway stations outside of the old capital and the Tientsin airdrome, he is now playing his last trump card to force the authorties of Hopei province to follow his dictates. To all intents and purposes, the supposed one-act play has now been divided into several acts, beginning with a small show and culminating in the consummation of the autonomous movement in North China. By so doing, Gen. Doihara may have a better chance of scoring a success for his production, because the gradual denouement of his plot will certainly have less electrifying effects upon the audience and therefore attract less public attention. Besides, he can have the opportunity to adjust his plot in the light of reactions of the audience during the intervals between the acts.

The first act with the leading role played by a nonentity named Yin Ju-keng is now on the stage. Mr. Yin, being a third-rate official, finds himself in a state of great embarrassment under the political limelights, and would fain make his hasty exit if it was allowed by his stage-master. He is now riding on the back of a tiger, and can not safely come down without the fear of being devoured. The so-called "East Hopei Autonomous Government" rules over no more than twenty-two districts, having a total area of about 330 square miles with a ppoulation of about 4,600,000. Prior to the assumption of his present self-appointed post as the "Chairman" of the bogus government, he served as the Administrative Commissioner of the Demilitarized Zone since its creation in 1933.

Japanese Training and a Japanese Wife

Mr. Yin's name had been little known to the outside world until the present flare-up. He is said to have received his early eductaion in Japan, and, like many other Japanese returned students, has brought back not only his Japanese training, but also a Japanese wife. To possess a Japanese wife is said to be a blessing,but in the case of Mr. Yin, his marriage has certainly brought him double blessings, because his wife not only proves a dutiful woman as all the Japanese wives are reputed to be, but has also a brother who happens to be one of the influential military leaders of the Kwantung Army. At the time when the crisis of the country has called for all the talents who have had any fame of old "Japan hands," Mr. Yin could not be left out of this national call. The fact that he has had an intimate connection with the Japanese Army has made his services all the more valuable to the country which has been virtually living under the mercy of Japanese warlords. Therefore within a very short time, he climbed up the political ladder very rapidly and became the Administrative Commissioner of the Demilitarized Zone.

Since the Japanese invasion of Manchuria in 1931, we have been met with many instances, wherein Chinese officials have placed their greediness for power and fortune above their sense of patriotism and honor, and with tails between legs, have gone over to the Japanese side to become the alien cats'-paws. Yin Ju-keng is but a new addition to this group of traitors. What makes Mr. Yin's case especially condemnable is the fact that for the first time an official governing some twenty-two districts has openly severed his connection with the Central Government and come under the Japanese protection. He may call his regime an autonomous government, but as a rose by any other name will smell just as sweet, so this autonomous government is but a puppet government in a new disguise. It is indeed very dishearteinng that in a country, the people of which have been for thousands of years taught that loyalty is one of the four cardinal virtues, a few of the officials should at the time of national crisis forget the old teachings and their duty to their country.

No words sufficiently strong can be found to adequately condemn Mr. Yin's traitorous deed. But if we care to look into the political situation prevailing in North China a little deeper, we shall invariably discover that Mr. Yin has not only played into the Japanese hands, but into the hands of a few of the Chinese military leaders as well. Mr. Yin, it must be noted, is merely a civilian officer, and has not a single soldier under his command. He may entertain wild dreams and aspire to attain the same status as that of Henry Pu Yi, but it is inconceivable that he would venture to embark on an adventure without some previous understandings or even agreements with his superior officers. True, he can call for the assistance of the Japanese Army at the time of necessity, but we have reasons to believe that this Japanese aid only would not encourage him to defy the orders of the Central Government. Thus puting two and two together, we can not help concluding that his present move has been at least tacitly approved by some of the leading officials in North China.

A few of the leading officials in North China, in face of the high pressure exerted by Gen. Doihara, have indeed been in a great dilemma. On the one hand, they must keep themselves on good terms with the Japanese militarists so as to maintain their political position and fortune without fear of being ejected as in the case of some of their predecessors. But on the other hand, they can not totally act upon the Japanese dictates in declaring their independence without becoming traitors to their country. In order to mark their time, they have possibly prompted Yin Ju-keng to start this autonomous movement with a small show first in the Demilitarized Zone, with the object of seeing what would be its reaction upon the world in general and upon Nanking in particular. Should the United States and Great Britain give up their former indifferent attitude and come to assist Nanking in suppressing this autonomous show, they will have nothing to lose. On the other hand, if this small show should bring forth neither action from Nanking nor reaction from foreign Powers, they will most probably follow the lead of Yin Ju-keng and become Japanese proteges.

Therefore whether Mr. Yin's coup will die a natural death or become a prelude to an elaborate show in future will all depend upon whther Nanking can devise some effective measures to deal with this serious menace of disintegration, and what is the more, whether the United States and Great Britain can co-operate together to formulate a common policy, by which they can not only save North China from the fate of Manchuria, but also salvage their own declining commerical interests in the Far East. Japan's dream of devouring the whole of China all by herself has now admitted of no doubt, and no talks of economic co-operation on the part of China and no advices and warnings from the foreign Powers can be of any use to stay the hands of the Japanese executioners.

In one sense, Mr. Yin's coup is nothing but a ballon d'essai purposely raised by a few of the hesitating leading Chinese officials in North China for the purpose of ascertaining their own political fortune. In this case, Mr. Yin appears to be a dupe of all these political intrigues. However, in playing this assigned role, he has nothing to lose. The old Chinese adage has it that if a man can not achieve an ever-lasting fame, he should at least leave a notorious name to posterity. In this regard, Mr. Yin will have the consolation that his name as a traitor will not be forgotten by the people in future generations. Besides, why should a man bother about his own good name when he can secure his power and fortune even without it? Should his present bubble be pricked, he can still secure a well-paid job in Manchukuo, through the influence of his brother-in-law.

Soochow, Dec. 2, 1935.

Rumors About Loss of Important Waichiaopu Documents Refuted

Current rumors to the effect that the Ministry of Foreign Affairs had lost some "highly important" documents and that certain ranking officials of the Ministry had been detained or executed by military authorities were emphatically denied by a spokesman of the Waichiaopu in Nanking Nov. 22. In an interview with a representative of the *Central News Agency*, the spokesman explained that investigations conducted by the Ministry reveal that such rumors originated from a case of theft which was recently committed by one of the servants of the Business Section of the General Affairs Department. The servant in question, according to the spokesman, had stolen two timepieces and one sheet of table-cloth on Oct. 20, but the theft was discovered the following day together with the arrest by metropolitan police of the culprit. The Ministry of Foreign Affairs, it was pointed out by the spokesman, are taking steps to trace the rumormongers with a view to bringing them to book.

Has China Now Lost Her Patience?

BY C. Y. W. MENG (孟長泳)

WHEN Manchukuo, a "puppet state" of the Japanese militarists, was being established after the Japanese occupation of Manchuria, reports already had it that "General Honjo (the then commander of the Japanese army in Manchuria) would lead some 250,000 strong to enter the Great Wall for the invasion of North China"; "Japan would establish 'Hwa Pei Kuo' (Kingdom of North China), and 'Man-mon Kuo' (Kingdom of Manchuria and Mongolia)" to form a "buffer state" between China and Manchukuo, and to effect the union of Manchurians and Mongolians; "Japan would establish 'Tai Chiang Kuo' (Kingdom of Great Ching Dynastry) with the capital in Peking (now Peiping)", the city of Mukden being intended to be the "capital of Japan!" Hence, if all these are kept in mind, the recent developments in the situation in the north should not surprise us. The present attempt on the part of Major-General Doihara and the Japanese Kwantung Army to establish the so-called autonomous movement in North is only one of many attempts on the part of the Japanese militarists to carrry out what they had planned before to alienate North China from China!

Apparently, it was the original intention of the Japanese militarists to set up the autonomous government in Peiping, with control over three north provinces, namely, Hopei, Chahar and Shantung, But due to Nanking's firmness, and non-support of the Chinese militarists in North, the self-imposed mission of Major-General Doihara collapsed. At one time it looked as if the movement would be revived in Tientsin under Japanese direction, protection and assistance. But due to the many precautionary actions taken by the Chinese authorities, nothing could be realized. Then the movement drifted to the "Demilitarized District" to the East of Hopei, which consists of 22 hsiens.

There is no doubt that the Japanese militarists could easily do anything that they like within this District; for, (as we have indicated time and again) though by agreement, neither Chinese nor Japanese troops should be stationed in the district, this applies only to the Chinese troops; and the Japanese troops have never evacuated the district. Though by agreement, the administration of the district is in the hands of the Chinese, yet as every layman knows, it is in fact under Japanese control. The district is in a most chaotic condition. But the seriousness of the situation lies in the fact that the Japanese activities do not stop with the declaration of the autonomous government in the district. The Japanese agitations and many other "underhand actions" to separate North China from China still continue. The Japanese militarists have openly declared that "they are watching the situation"—the "declaration of policy by Nanking" and the "result of the Chiang-Ariyoshi conversation," meaning that in case that turns out to be unsatisfactory to them, then major Japanese military actions would follow. This necessitates discussing something about the "Chiang Ariyoshi conversation."

Chiang-Ariyoshi Conversation—Success or Failure?

Obviously, during the 3-hour conversation held between General Chiang and Mr. Ariyoshi, the Japanese Ambassador to China, the talk was centered upon the so-called "three basic principles" proposed by Mr. Hirota. But, according to our information, General Chiang, in course of the conversation, was "most non-commital," answering the ambassador's questions by saying that he "has to refer the problems for further study to the department of the Government concerned." Referring to the "positve aid to be sought from the National Government for a scheme designed to place Sino-Japanese relations on a firm friendly basis," General Chiang was said to have answered that "it all depends upon Japan, not China." This is not the first time for us to hear such a statement from our Generalissimo. In his interview with some Japanese pressmen from Japan in Nanking held sometime ago, we remember, the General expressed the same view when he was questioned about the cultivation of more friendly Sino-Japanese relations. This agrees with what many Chinese writers on the Sino-Japanese situation used to say "解鈴還是繫鈴人." That is, "the one who is to untie the bell is the one who tied the bell before," meaning that one who stops to do something is the one who starts to do it before. That is, by her armed invasions of the Chinese northern provinces, Japan started the aggression in China, but now it is up to her to stop the aggression in China themselves. That China would not hate Japan, if she would stop the aggression, can be inferred from the fact that General Chiang in his speech on foreign relations, said "it is not impossible that our foes of today may become our friends of to-morrow!"

As to the "formula to be devised for co-operation between China, Japan and Manchukuo in the development of North China," General Chiang is said to have told the Japanese ambassador that "the so-called autonomous movement must be first abolished." According to General Chiang, this is a "condition precedent," which must be filled before China could talk anything about the developments in North China. Whether General Chiang did or did not opine that Japan should keep "hands-off" when China launches a punitive expedition to suppress the autonomous movement in the North, we do not know, though report from some circles hints that the General did opine this. How did the Generalissimo and the Ambassador discuss about the third basic principle . . . joint efforts to suppress communism . . . . we do not know, possibly the General might have answered straight-forwardedly that "It is a Chinese domestic problem."

But reports from the Japanese sources had it that the Japanese side demanded that the National Government "should first understand the spirit of the people in the North regarding the autonomous movement, before considering the conclusion of any agreement between China, Japan and Manchukuo to form their basic policy for settling the North China problems." The Japanese side is said to have opined that "though the autonomous movement of the northern people is purely a Chinese domestic problem, to give 'special recognition of the situation' due to the territorial proximity of Manchukuo and Japan is one of the important points of the Japanese policy towards China. Therefore, Japan would regard the measures which China might make regarding the North as the 'measure of China's sincerity' towards Japan." According to another report, the Foreign Office and War Office, after joint discussion, in an instruction to Mr. Ariyoshi expressly opined that "there is no reason why China should suppress the autonomous movement in North."

After a brief study, we shall conclude that there is quite a "wide gap" between the Chinese and Japanese views of the situation. The Japanese side demands the suppression of "anti-Japanese activities" as the first step towards Sino-Japanese rapprochement. But China replies that the cultivation of better Sino-Japanese relations is in the "hands of the Japanese, not Chinese" (中日親善在日不在中). The Japanese side, to be brief, demands that China should give "tacit consent" to the autonomous movement in North China before talking about the development of North China. But China replied that the autonomous movement in the North must be first suppressed before any talk could begin. Japan regards the measures taken by China to "measure China's sincerity towards Japan." But apparently, what China has done, such as the dismissal of Yin Ju-keng, the change of administration in North, etc.,—a step which decidedly shows that China wants to exert her sovereignty over North China—would again prove to Japan that China is "not sincere towards Japan!" So, under such circumstances, we doubt very much whether it would be of any use to hold a "second" Chiang-Ariyoshi conversation, so long as the Japanese militarists strongly insist that North China "must go away from China"—which China opposes bitterly. By the decision of the Foreign Office, War Office, Colonial Office and Naval Ministry, the Japanese side further demands that "China should change her policy of relying upon Anglo-American co-operation to that of relying upon Japanese co-operation."

It is generally believed that the reported second Chiang-Ariyoshi conversation is the last one of all. But what next, if the conversation fails again?

Chinese Nation-wide Reactions—Punitive Expedition Demanded

But what is of greater importance and significance is the development and demonstration of Chinese resentments, and the mobilization of Chinese public opinion to oppose the present situation in the North. Since the signing of the disgraceful Tangku Agreement, due to Japanese military pressure, Nanking had been forced to issue many "proclamations" forbidding any activities unfriendly to foreign nations. So, whenever the Japanese militarists renewed their military activities, we find the Chinese public is entirely silent. There was no demonstration, nor expression of any kind to show the national feeling of the Chinese people. The slogans on the walls in the interior of China, such as "Boycott Japanese goods," "Sever Economic Relations with Japan," etc., had the word—"Japan"—blotted out by black ink. So when the Umetsu-Ho understanding was reached when China accepted the Japanese demands regarding the north situation wholesale, the Chinese people were entirely silent. But the situation is quite different this time.

The educators and professors in Peiping took the lead in the demonstration when in a circular telegram to the nation they "do solemnly declare that we are utterly opposed to any movement tending to detach any region of China . . .", and urged the "Central Government to use the energies of the entire nation to maintain the territorial and administrative integrity of the country." This was quickly responded to by urgent telegrams to General Sung Chi-yuan and General Sheng Chen when the faculty staffs of National Central University, Nanking University and Nanking Girls College first reminded the generals that to protect national territory is their duty, and urged them to "live up to their glorious past," and to protect national territory by "bloodshed." The educators "swear to give them their fullest support!" South-West China under the leadership of Siao Fu-chen, a veteran member of Kuomintang, in an urgent telegram to Nanking, urged Nanking to launch

a "punitive expedition" to suppress the autonomous movement in the North. The Shanghai Chamber of Commerce, the Labor Union in Shanghai, the Federations of Universities and Middle Schools in Shanghai and in Nanking, the Farmers' Association in Nanking, Students' Union in Nanking, the Press Association in Wuhan (Hupeh) the People's Association in Wuhu (Kiangsi), the People's National Salvation Assocaition in Kweichow, and many others, all sent their "urgent telegrams" to the National Government, Executive Yuan, Military Affairs Commission, General Sung Chi-yuan and General Sheng Chen in the north, all demanding the Government to launch a punitive expedition to suppress the rebels, and to maintain the national territorial integrity, and all urging the generals "to protect the northern gate by bloodshed." The various associations in the Capital further issued a long manifesto to the nation demanding (1) punishment of Yin Ju-keng and his "family"; (2) confiscation of his property; (3) determination on the part of the government to maintain national soveignty and territorial integrity; (4) freedom of speech and press; and (5) giving full support to the government by the people. In another petition to the Legislative Yuan, the Chinese public bodies suggest that the law-making body should enact an "anti-traitors law" inflicting severe punishment on the traitors and confiscting all their properties. But of greater significance is that up to November 30 out of 22 hsiens in the demilitarized district which declared autonomous government, the magistrates of 15 of them had already declared themselves to be "disassociated from the movement!" The nephew of Yin Ju-keng had also come to Nanking declaring his "disallegiance to his uncle!"

The Japanese militalists will remember that when Japan attempted to wrest the Province of Shantung from China at the Paris Peace Conference, Chinese public opinion was at once mobilized, and Dr. C. T. Wang, the then Chinese delegate to the Conference, was quoted to have said that he had received "200 telegrams from the Chinese in China per day" demanding that China should never agree to hand over Shantung to Japan, and that China should never sign the Peace Treaty. The Japanese will also remember that it was Chinese public opinion which won the world sympathy and which caused Shantung to be returned to China. Will history repeat itself?

More Effective Measures to be Taken

In an editorial, the *Sin Min Pao*, one of the leading daily papers in the Capital, at once urged the Government to take "dignified steps" to punish the ringleaders and to issue a formal declaration of "protection of national sovereignty and national territory," but not to commit "one blunder after the other," and to make "one demilitarized district after another," adding that it has always been the policy of the Japanese militarists to first employ threats, second to buy over the Chinese traitors, and third to set up a "puppet" regime, "to facilitate the Japanese further invasion." Dealing with the "way out" for China, the paper concluded that "we agree to be friendly with out neighbor, but it is necessary that the said neighbor must be also friendly to us . . . that is, mutual friendliness is required. Should we be friendly to our neighbor, but our neighbor is not friendly to us, it is only a 'one-sided' asking for peace and 'slave-like capitulation'—an attitude which an independent nation should never adopt!"

In another editorial, the same paper expressed its dissatisfaction over the mere issuance of an order for arrest and punishment of Yi Ju-keng, but pointed out that the question is "how to effect the arrest and punishment" . . . . a duty which the paper hoped the "revolutionary government" and "a government built on the Three-Peoples Principle" should never evade! Dealing with the appointment of General Ho Yin-ching to be resident representative in the North, the paper hoped that more effective measures would be taken to "restore our sovereign powers," but "no more Tangku Agreement or Ho-Umetsu agreements should be signed!"

In another editorial, the same paper asked: "Has the time for us to make last sacrifice come," and further asked sarcastically whether the readjustment of sino-Japanese relations, as demanded by the Japanese, would require singing of another "Shanghai Armistice Agreement," "Tangku Agreement" or "Ho-Umetsu Agreement." The paper expressed its earnest hope that the Chinese diplomats would not commit "one blunder after another;" would not employ "soft diplomacy", and would not disappoint the Chinese people who hold out much hope that the 5th Kuomintang Congress would mark the revival of Chinese diplomacy. The paper urged the people to exercise more "supervision" over the government, to urge the government to shoulder the responsibilities to seek for "national salvation!"

In another editorial on "Any Use of Protest?" the same paper asked what the National Government would do if the two protests fail to take effect? By protesting, the paper continued, the nation seeks to redress the wrong, and the solution of which must not be an infringement upon the national sovereignty. If the protest fails to take effect, the only next step is to lodge another protest, then to appeal to the League of Nations; and lastly, to sever diplomatic relations with the country concerned. Such are the necessary steps which an independent nation should take. The paper said that to lodge protests or to anounce to the world that China would not recognize the situation, is only an ordinary legal procedure which would not cause the Japanese troops to withdraw from a Chinese railway station. So the paper urged to take "more effective and second steps," if the first protest fails. "If no further effective step is taken, and at the same time, contents of the first two protests are kept secret, the National Government again adopts the old tactics of yielding to the outside and deceiving the people within." The paper urged the Government "to make the determination, and to be prepared to make the last sacrifice!"

Determination to Protect National Territory Urged

In an editorial on "Yin Ju-keng should be killed", *Chen Kuo Jih Pao*, another leading paper in Nanking, opined that should the local Chinese people really desire local autonomy, the entering of the period of constitutionalism is the day when the government would return the political power to the people. "But," continues the paper, "the present rebellion of Yin Ju-keng together with Hsiangho incident and the riots in Tientsin all indicate that our nation is in a critical situation, and that the time for extinction of all hope for peace is now reached."

In another editorial, the same paper said that the present rebellion is an intrigue on the part of the Japanese militarists to destroy the Chinese national unity, and pointed out the blunders committed by the Chinese diplomats in the past in regard to the Japanese "military adventures" in China as staged by the Japanese militarists and rowdies, and the "Japanese national policy" as one; and in treating every issue as local problem; but said that as a matter of fact, such is not the case. The paper further pointed out that our "determination to protect our national territory will have the very effect of stopping the military adventures of the Japanese militarists and rowdies." The paper concluded by hoping that the far-sighted politicians in Japan would never let the peace in the Far East be destroyed by the military adventures of the Japanese militarists and rowdies!

Present Censorship System Condemned

In an editorial, the *Central Daily News* even attacked the Government for not giving fuller details of the northern situation to the masses, due to "irrational system of censorship," adding that the system is "completely demoralizing, and if continued, the Chinese will become a nation of deaf and dumb people. How can a deaf and dumb people organize a state and exist on earth?"

We have not read such out-spoken editorials on national affairs for a long time! They are apparently making their re-apparance today! Almost every paper in the capital continues to write editorials on the autonomous movement in the north and the Sino-Japanese situation, and all of them urge the Government to take more "dignified and affective" steps to suppress the rebellion and to readjust relations with Japan by "not" signing any more Tangku or Ho-Umetsu agreements. Almost every day we can read the many "circulars", "urgent telegrams" "manifestoes," "declarations," etc. to the nation and to the Chinese generals in the North, from various places urging them "to protect the national territories by bloodshed!" It is not because the Govenment did not exercise any censorship over the press and no control over the Chinese people, but it is rather because the masses are so indignant over the situation that it is beyond the efforts of any government to prevent the people from expressing their opinions.

General Chiang in his speech on foreign relations said that "we should not forsake peace until there is no hope of peace. We shall not talk lightly of a sacrifice until we have been driven to the last extremity which makes a sacrifice inevitable." But from what we stated above, it is clear that the present aggressive Japanese action in China has caused the Chinese to conclude that "there is no more hope of peace," and has driven the Chinese "to the last extremity which makes a sacrifice inevitable." Therefore, it is now up to the Japanese at home to quickly wake up their militarists to cease their aggression in China. China has lost her patience!

Nanking, November, 30, 1935.

Chinese Art Exhibition Greatly Praised by London Newspapers

The Chinese Art Exhibition which opened in London last week has evoked a chorus of unbounded praise. The King and Queen were among the many notables who attended the Exhibition. The London newspapers contained long descriptions of the Exhibition, accompanied in several cases by copious illustrations. Fashion writers, eagerly seeking new models, rhapsodized over the loveliness of Chinese colors, and the subtle difference in tone between Chinese blues, reds and yellows. The *London Times* stated that it is difficult to see how, for sheer beauty form, color, and exquisite and curious workmanship, this exhibition could fail to be the most popular of the series of winter exhibitions held in Burlington House. The *Morning Post* paid a tribute to the Chinese government for the generous loan of so many treasures and *The Daily Mail* said that "never before has this planet seen so thorough a survey of Chinese art, which acknowledges no superior."

Japan's Advent Into the Textile World Is a Severe Blow to U.S.-New England Mills

BY EVELYN L. WHITTAKER

IT is with no little trepidation that an American not a New Englander, and one who has lived abroad for many years, follows Japan's advent into the textile world. A recent view of the textile situation in the eastern part of the United States is one that stands out in bold, sharp outlines, forcibly presented to the writer because of the mute evidence of closed mills, abandoned towns and the scores of unemployed. New England's exit from textiles is more than regrettable; it is a serious problem that has assumed formidable proportions. The problem is not merely local—it becomes especially serious when one has viewed it from the other side of the world as well.

Yet, one does not have to live abroad to know the melodramatic, emotional appeal, the bland expressions, the juggling about of policies, and the stage tricks employed in the name of commerce. New England's provocation is but an echo from other parts of the world that have foreseen frustration in the textile industry, unless immediate adjustments were made. It does not take hysterical acclaim and feverish imagination to convince one that the complaints are justifiable, and well might New England be aroused, for the problem confronting them is one that will ultimately face them with a critical, economic stiuation from which no honest reasoning can escape.

Japan's murderously low price level, due to systematic inflation, her unbelievably low wages, the long continuous hours, forced labor, child workers, women who do mens' work, and the fact that much of her exports are subsidized by the Government, give them the opportunity to sell textiles at 40% to 75% lower than can be produced in America. Japan also enjoys the privilege of purchasing her cotton in the United States minus the processing tax. Though claims have been made to the contrary, it becomes evident that the tariff does not meet these differences, thus assuring the people in the States of a more balanced, fair competition. Japan has never had to face a 30 hour week. All her machines run to full capacity day and night, ceasing only twice a month for cleaning. And no longer are these machines being imported from abroad. Fifteen years ago, Japan purchased all her cotton mill machinery from England and the United States. To-day she does not buy a single spindle outside of her own territory, and on all these locally made machines in Japan, there is the saving of approximately 50%. By comparison, then, the mill people in the United States are obliged to pay more for their equipment than the Japanese pay for theirs. Nor can our workers at home subsist on a raw fish, rice and sea-weed diet, go barefooted, and squat on straw-matting in unheated paper houses. Naturally, Japan has the economic budge, for what chance has a country to compete when another attacks its market with an economic wedge that is so murderously sharp.

The dumping of cheap, inferior Japanese-made products has already been breath-taking, and proved so overwhelming to certain countries, that it was considered a grave menace. The Japanese know the rest of us far better than we know them. It may be that their trade psychology with its retaliating echoes, is not a gesture of defiance, but the significance of that gesture is apparent and most disturbing to those who have closely followed her aggressive expansion and plans to attain virtual economic independence, regardless of the commercial sufferings of the other fellow.

Ever since the World War, Japan has sought the exploitation of the cotton market. How well she laid her plans are to be remembered by the repercussions throughout the world. New England closely followed the British Empire in taking her stand regarding economic rights, though the battle seems to be hopelessly fought. Japan's latest plans to be executed, include the extensive development of cotton growing in China. This with her many textile mills in operation in various parts of China, will bring her closer to her obvious goal . . . . that of becoming a self-sustaining nation.

How Japanese Exploit the Cotton Market

As usual, with economic problems, China is no different from other countries, which do not squarely face a situation of this kind until it has been thrust so far upon them, that they cannot dodge the issue at all, but are obliged to make one-sided concessions, or be forced into an economic truce. In terms of industry or finance, China or New England are pretty much like other places, bobbing about on the heaving sea of economy—but in terms of living, China is still China, and New England is still New England, and no one with a right attitude or sense of fair play should consider in their plans the exploitation or imposition of any other arrangement that will hinder or detract these countries from working out their own problems of existence within their own territory.

Japan's entrance in New England had been so well effected, that it had gone way beyond the challegne state, and the struggle to hold their market was in its last stages before they were really aware of what was happening. Even the traditional stamina of the New Englanders failed to help them to retain their economic position, appeals to the Administration were laid aside until some opportune time could present itself for further investigation.... It would seem that members of a government official's family often have preconceived notions about an economic situation which is glibly termed as a grievance, but in the meantime people in actual desperate cricumstances are told to wait, and there are more closed mills, more dark villages and towns, more acute unemployment and more cheap, inferior Japanese goods being dumped upon the American public. Are the textile centers of the world going to put up with the situation they are faced with, and calmly relinquish their own markets that will prove disastrous to their people?

Japan's penetration of the world market may, at present, be calculated in low percentages, but from most authoritative data available, and a study of their economic methods first hand, Japan's threat to the world trade must not be viewed lightly. This nation can hold the entire world market by underselling it competitors, and if one is at all familiar with her cut-throat competition, made possible by practices we could never employ, he will more readily understand what New England is faced with, what other parts of the world are faced with . . . even China with its standard of living and scale of wages.

Japan's Exploitation of China

What is more significant, Japan sees in the exploitation of China for her cotton interests, not only vast profits for Japan, but it will conveniently serve her other purposes and plans as well, for being so easily adjacent, China can provide her greatest need in the manufacturing of her textiles, thus being the potential market from which Japan can serve and be served to her own financial gain. This has been her real line of vision and endeavor on which much of her national development has proceeded. She isn't solving her difficulties by dreaming of imperialistic or democratic markets . . . . it must be admitted that she has already not only considered them, but prepared herself and fairly well settled them.

If Japan's present scheme of things is to go forward without so much as an opposition from this country, China will also be presented with the double aspect of her economic problem, and it is one that is already before them, there can be no declining to face that fact, or to wait until some propitious holiday in order to go into the matter more fully. Regardless of political effects, sheer necessity should regulate this important question. It is not a situation that can be ignored privately or publicly—it is up to the Chinese to meet her realities.

Before it is too late, it is for China to get into pace with the textile industry of the world, and when she gets into pace, to keep on going. This is no time to sit by complacently, and casually abandon any further thoughts about its solution. Certainly no account of China's attitude would wish to include false objectives with a purpose of attaining indefensible political graft and industrial profiteering at the expense of her own unhappy future. It is up to this country to adapt itself through its own materials and resources, or be indifferently willing to accept the penalty which will be exacted from it, for Japan's method of conquering economic discriminations and privileges can be carried on relentlessly: its momentum may be temporarily checked or deflected, but it is never stopped, and its deeper purpose is always there. Japan's economic gains are not at all a by-product . . . . she makes it her definite business by her tremendous silent pressure.

New England's remedial measures were applied too late, but in the problem confronting this country, the solution is still in their hands. Bluntly, there is an alternative, but faced with the necessity to do something on one hand, and the knowledge that Japan is pressing them on the other, one can understand how easy it is to pursue to course, momentarily, along the route of least resistance, but after a brief time, this cycle will come to its climax, and the problem will continue to emerge, but always a greater one, and more difficult to solve.

Japanese Aggression a Threat to the Future of China

No, this is not an emergency, where one can tide things over for the present, but a real crisis, that, like the effects on New England and other portions of the world, will some day put China into as great an economical jam . . . . a serious and a dangerous one. Japan has already built many of her cotton mills in China, thus enabling her to compete easily. If she receives concessions for growing cotton in China, it will simply give her the economic budge over any one else. China's industrial leaders and the Administration as well, must consider that matter from a grave standpoint, for it must here deal with a problem that has become a major one in industry, and this textile industry must be recognized as one of the dependable economic vertabrae of the backbone of the nation. It is a premier industry that can not be shifted or confused with to-morrow's job—it must be included and dealt with the affairs of to-day.

Nor is it an experiment, this attempt to right and regulate the cotton growing and cotton manufacturing of China. Japan's aggression is a threat to the future of China, and unless this country aspires to obviate these causes, she will find herself bewildered in

the complicated mess of unsolvable problems. Just as other countries had to struggle through technological revolutions of industry and agriculture, so must China learn to adapt herself to the best at her disposal, to take advantage of her own resources, to admit that here are things to accomplish, and then combine her persistency with a determined ambition to get to work.

Perhaps China's political and economic forces are not yet sufficiently wise and strong enough to adopt a practical, or rearrange her old industrial system, but surely it can at least be plainly seen that the present policy in textiles will lead to but disaster and loss. No feverish agitation will eliminate this seriousness, there must be immediate adjustments made in textiles in order to accomplish any headway. In order to meet the present-day competition, modern-day methods must be carefully gone over, making applicable only those usages that would be beneficial. This applies to both the mill and the cotton growing industry. There is no present profitable market for goods produced under present conditions. In admitting this fact, textile financiers have a right to be uneasy and greatly perturbed. There would have to be not only readjustments, but reorganizations and recapitalizations. In a word, the formula by which the mills have been operating in the past, without thought of sound, balanced, economy, must be severely taken into thoughtful study and sacrificial consideration, if the whole is to be worked out on a constructive basis.

A good deal could be said to support the theory that obsolescence even in cotton mills can be repaired to such an extent that a fair margin of profit can be made, but it must be understood that even if machinery is brought up to some semblance of present day equipment, the markets must be stimulated to meet even that production. And where is cotton used more extensively than in China? Unbelievable as it may seem, China holds fourth place in the world as a cotton-producting nation, and this in spite of her antiquated agricultural methods. And she would be justified in using much of her own cotton, for the long blue cotton coat is still much in evidence, even though the modern trends in dress have yielded to woollen or rayon garments.

War psychology and a wave of patriotism can expand a nation's credit and finances, but how far more constructive during peace time for a nation to work out a standard of productivity, to use her money for measures that will enable her to keep her industry within her own country, for herself. According to the statistics of recent years one can readily note that the textile industry of China is on the decline, but this is in reference to the Chinese mills . . . . the Japanese are enjoying increased productions. It is then but a logical conclusion that Japan would create circumstances and encourage the idea in order to increase the cotton growing in this land.

Immediate Measures Are Necessary

If China will only reflect on this gradual decline, she will realize that immediate measures must be taken. To increase her production will not remedy matters, but what must be done in order to compete, is to improve her manufacturing methods and rearrange her finances to such a degree that she can hold her own in the international cotton goods market. Mills must be recapitalized with a proper working reserve put by, for no more can the old idea of taking out all the profits and keeping nothing in, run an industry. If present finances prevent mills from putting in all new equipment, there is the very possible plan of converting the present machinery into profitable running units by applying the modern attachments which can be secured at a decidedly low cost in comparison to new mill units. Very few mills would entertain the idea of installing new layouts, especially at this time with the uncertainty of individual resources to back them up, but there is a plan that can adequately meet the economical needs of many of these mills. Modern science and a vast study of the present situation have produced this new system which has already been successfully introduced and tested out in obsolete mills in the United States. The writer remembers visiting a mill in New England that a casual observer would have said was slated for the junk pile, and according to information and statistics, was a losing proposition. This modern system referred to was introduced, and after a year's trial, this mill today enjoys operation on a satisfactory profit basis.

While China adjusts her manufacturing of textiles, she could correlate her activity with a cotton growing expansion. Nor would increased cotton production have to necessarily upset her economics. China could in time be a self-producing, self-sustaining, selfsufficient country in the supply of her foodstuffs. This is where the agricultural experts could proceed and expand expeditiously. And since China is such a large cotton consuming nation, she should be able to cope with and take advantage of her cotton industry. But she won't be able to meet the situation with all the finest experts that training and experience can produce, if Japan's activities are allowed to continue on the huge scale she has set forth in her program.

Statistics show Japan's progress everywhere. Not only was she able to increase her spindleage at an extraordinary rate, but also in the exporting of her cotton year and cloth. Figures at hand show that ten years ago Japan's export of cotton cloth into the United States was about 1,000,000 square yards, whereas, in 1935, it was increased eight times, or to about 8,000,000 square yeards. Her consumption of cotton in 1932 was about 10,000,000 piculs, and nearly half of that came from the United States. India furnished Japan with 4,000,000 piculs, China with 700,000 piculs; and 300,000 came from other countries.

Japan's jump to nearly 10,000,000 spindles in 1935—an increase of more than 400% over her spindleage before the World War, now places her in the list with Great Britain and the United States in keen international competition in the production of cotton and for the extension of their cotton goods market. Japan's position was secured during Great Britain's relaxation in the cotton market at the time of the War, by spending heavy investments for development and using her timely opportunities, until now we find that she emerges to her important position in the cotton world. It must be admitted that her spindles totalling close to 10,000,000 give cause for startling, if not disconcerting, conjectures. Great Britain and the United States are yet far ahead of this figure, but it is the rate of increase that makes her progress something unusual.

Unrestrainedly, Japan could show tremendous strides, even though she has had one great disadvantage in that her raw cotton had to come from other countries. For China to produce Japan's cotton easily will only bring about more complicated situations. The problem will then no longer be only that of New England's, or the southern cotton farmer's, the peoples of Lancashire, India or Africa, but it will be one affecting China, one that will undermine not only her textile industry, but greatly disturb her economic program. The people of this country have not been too rudely shaken in their present day living, and even though China may seem to fail them as a nation, Time has proven that China has not failed its people as a civilization.

However, those purposes which served yesterday and to-day, may not serve them too well to-morrow. The task is not an easy one, to be determined by one man or a small group. It will take courageous men, real men with a keen insight and a sincere interest in their country's future industrial development. This is no time to sit by and depend on tradition for emergence from present day difficulties, because her indifference to working out these problems, her lack of determination in organizating and creating a system that will serve China best, will only serve another country's purpose. One recognizes the fact that Japan is ever on the alert, subtle, quick to take advantage of situations, and even in her international attack on world trade, she has not been easily daunted or barred by tariff walls, nor panicky because her neighbors used the effective weapon, boycott.

The old adage has never been more true, that an ounce of prevention is worth a pound of cure. It would be most regrettable if China was allowed to get to the place where there could be no cure. New England suffered because some politicians did not have the time to investigate the complaints of the pepole. Delays and dillydallyings are often attributed to ignorance of the subject, but does not a sincere presentation of facts warrant an immediate investigation, and does not the recognition of such facts warrant immediate action? Other parts of the world have vigorously protested against Japan's exploitation of their cotton markets, and put up a valiant fight for their legitimate rights. If China is to have a brighter era in cotton textile industry, it must be given the wholehearted cooperation and full measure of support of its government and people, and there can be no putting off until after the Chinese New Years—too many have already passed.

Shanghai, Nov. 28, 1935.

Monnett B. Davis Succeeds E. S. Cunningham as U.S. Consul General

Monnett B. Davis officially took over the U. S. Consulate General in Shanghai Dec. 2. Edwin S. Cunningham relinquished active control on the evening of Nov. 30, preparatory to retiring from the American consular service at the end of this year, after 39 years service.

N. Aall, Norwegian Consul-General, has automatically become the doyen of the Shanghai Consular Body, a post that Mr. Cunningham has held for almost 10 years.

Between now and the time of sailing for America, two weeks hence, Mr. Cunningham will attend to purely personal matters. In America, he will proceed to his native Maryville, Tennessee, where he has a home. Beyond that he states he has made no plans.

Mr. Davis was born in Greencastle, Indiana, on August 13, 1893. He attended business school, went to Baker University for two and-a-half years, and took an A. B. degree from the University of Colorado in 1917. During 1916 he served with the Colorado National Guard and was clerk in the American Consulate at Cartagena from January to August of 1917. During 1917-18 Mr. Davis was in the U.S. Army as a second lieutenant, being a first lieutenant in the O.R.C. 1919-20.

Appointed, after examination, a consul of class seven on June 4, 1921, Mr. Davis was assigned to Port Elizabeth, Union of South Africa, on Feb. 15, 1921. He was moved up to class six on March 1, 1923. On Jan. 2, 1924, he was assigned to Saltillo, Mexico. He became a Foreign Service officer of class seven on July 1, 1924, and class six on August 8 of the same year. On December 24, 1924, he was assigned to the State Department. Mr. Davis became assistant chief of the Visa Office on June 1, 1927. He was moved to class five on June 8, 1927 and became chief of the Visa Office June 1, 1928.

On January 28, 1929, Mr. Davis became a Foreign Service inspector. He was moved up to class four on October 16, 1929. On April 10, 1931, he was raised to class three. He was assigned as Consul-General at Stockholm, on June 27, 1933, and arrived in Shanghai December 18, 1934.

ELECTRIC POWER
CHEAP
RELIABLE
FLEXABLE
AND
SMOOTH
SHANGHAI POWER COMPANY
Head Office, 95 Nanking Road Tel. 11010

K. Ch. Lin Urges Promotion of Trade Between China and Netherlands Indies

K. Ch. Lin (Lin Kuei-chih), who is the general manager of Him & Co., in the Netherlands East Indies, and prominent in promoting Chinese trade in that region, is at present travelling in China with a view to interesting his fellow countrymen here in strengthening business relations between China and the Netherlands possessions. He will return to Java after two months. He can be reached through P. O. Box 1989, Shanghai.

In a recent interview Mr. Lin said:

"To push Chinese goods into the Netherlands Indies market, I think the organization of a Cooperative Trading Company is the most practical plan. In this cooperative trading company, members should be composed of several big companies that handle retail trade, with their shares as guarantees. Such type of company would be organized in every commercial port and, like the cooperative store, naturally, profit-sharing would be based upon the volume of sales. This kind of organization I believe, will not only easily secure capital, but will also solve the difficult problem of distribution and the manipulation of prices and quality in meeting competition. Through this company also, in the matter of market prices, one can afford to lose for a certain article and profit by the other. This thing can be done easily in the Netherlands East Indies for the reason that most of the retail traders are Chinese. Figuratively speaking, we have ample economic troops, but they are weak and unorganized. The problem facing us is different from that of European importers, who rely upon Chinese middlemen. As far as I know, at present, many large Chinese companies import Chinese goods but they are lacking in the matter of selling organization—they are poor in the way of advertising and in distribution. I think it is advisable that a real business expert or research worker be appointed as a commercial attache connected with the Chinese consulates abroad, to direct the activities of the Chinese Chamber of Commerce, which at present does not show any usefulness to the Chinese traders in the direction of the subject matter discussed. Besides, it is more desirable to establish a commercial museum or show rooms in big commercial ports in the N.E.I. than to popularize Chinese products by expensive touring exhibitions in the South Seas as are now undertaken. The function of the Commercial Museum aside from propaganda work should be to guard the imported goods in the market, surveying the market, sending samples for demanded goods to the manufacturers at home, and to supply other necessary information. Another point to be considered is the financing of the export trade. In this case the bank in China should aid the financiers and cooperate with the banks in Java for credit. We must understand that the method of merchandising in Java is the credit system. Goods are generally sold for one or two months credit. Under such conditions, certainly without the aid of banking institutions, the expansion of China's trade in the South Seas islands will be difficult. Such are the general aspects of the trade conditions there."

New China League Technical Officer Appointed

It was announced in Paris Nov. 22 that China will shortly have a new liaison agent for her co-operation with the League of Nations on technical questions. The new nominee is M. Courcin, Chief Engineer of the French department of Colonial Public Works. M. Courcin will start for China in the near future and will represent the League's Communications and Transit Organization.

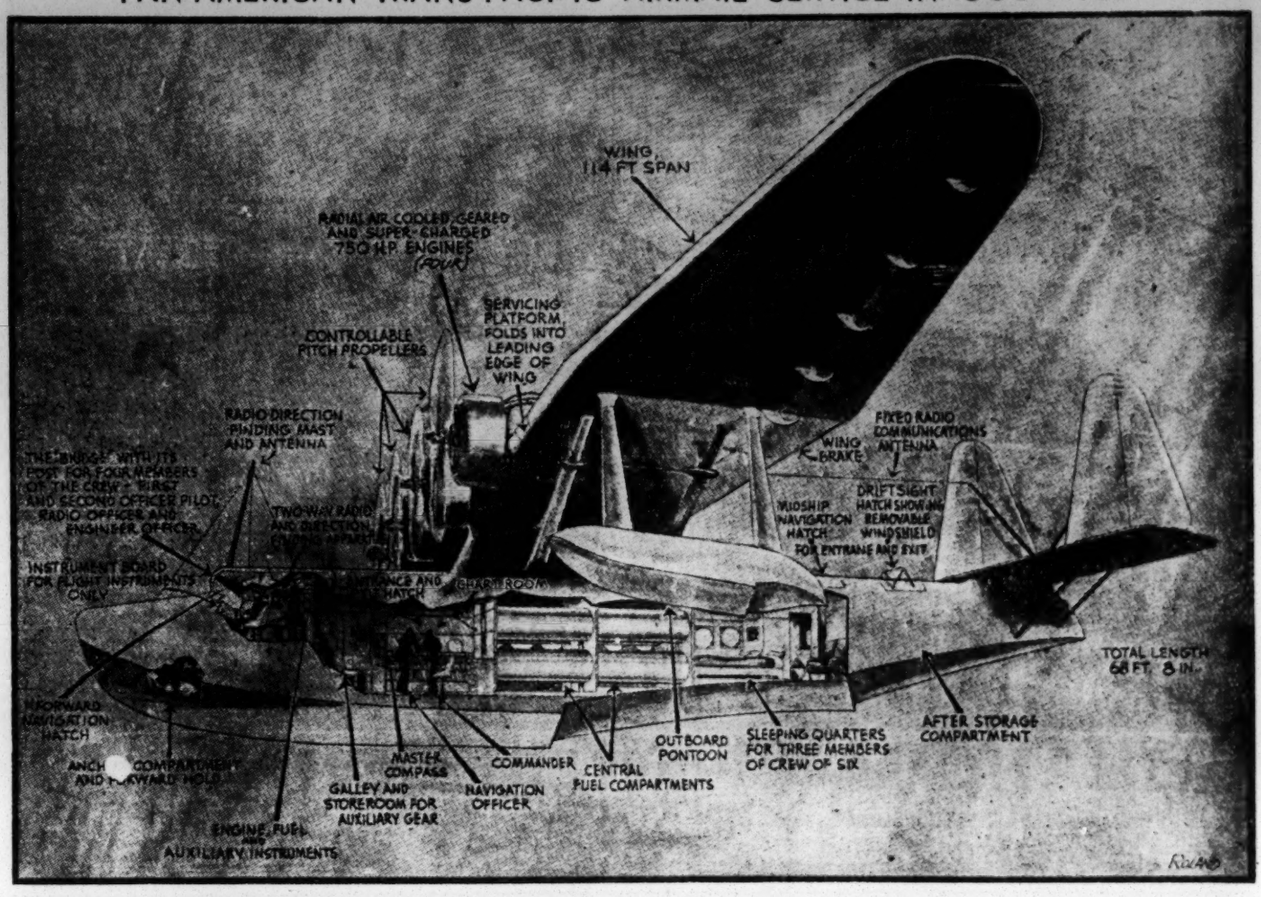
Japanese Insurance Co. at Swatow Uses New Scheme to Alienate Chinese

The Hongkong *Kung Shan Jih Pao* November 16 stated that in accordance with instructions from the Japanese Consulate at Swatow, a certain Japanese insurance company is bribing and assembling Chinese traitors in the city to disorganize the order of the locality. A silver badge has been given by the company to each of about 200 traitors who have been organized by the Japanese concern. Most of the local leaders in the vicinity of Swatow are joining in the organization under the leadership of the Japanese insurance company, and are transfering their wealth to the company for effective protection.

U.S. Federation of Labor Will Oppose Granting Statehood to Hawaii

The American Federation of Labor issued a statement last week that it intends to throw the whole weight of its influence in Congress against a proposed Bill granting the Hawaiian Islands statehood. The Federation fears that, owing to the large number of Asiatics in Hawaii, the passage of the Bill might result in two Japanese (that is, Japanese by blood although American citizens) becoming American Senators at Washington.

PAN-AMERICAN TRANS-PACIFIC AIRMAIL SERVICE INAUGURATED


WING 114 FT SPAN
RADIAL AIR COOLED GEARED AND SUPER-CHARGED 750 H.P. ENGINES (FOUR)
SERVICING PLATFORM, FOLDS INTO LEADING EDGE OF WING
CONTROLLABLE PITCH PROPELLERS
RADIO DIRECTION FINDING MAST AND ANTENNA
THE BRIDGE WITH ITS POST FOR FOUR MEMBERS OF THE CREW - FIRST AND SECOND OFFICER PILOT, RADIO OFFICER AND ENGINEER OFFICER
TWO-WAY RADIO AND DIRECTION
INSTRUMENT BOARD FOR FLIGHT INSTRUMENTS ONLY
CHART ROOM
FIXED RADIO COMMUNICATIONS ANTENNA
WING BRAKE
DRIFT SIGHT HATCH SHOWING REMOVABLE WINDSHIELD
MIDSHIP NAVIGATION HATCH FOR ENTRANCE AND EXIT
TOTAL LENGTH 68 FT. 8 IN.
FORWARD NAVIGATION HATCH
ANCHOR COMPARTMENT AND FORWARD HOLD
MASTER COMPASS
GALLEY AND STOREROOM FOR AUXILIARY GEAR
COMMANDER
NAVIGATION OFFICER
CENTRAL FUEL COMPARTMENTS
OUTBOARD PONTOON
SLEEPING QUARTERS FOR THREE MEMBERS OF CREW OF SIX
AFTER STORAGE COMPARTMENT
ENGINE FUEL AND AUXILIARY INSTRUMENTS

The above view of the *Oriental Clipper* gives a graphic idea of the engineering ingenuity which was used in the construction of this pioneer of trans-Pacific aviation. A sister plane, the *Philippine Clipper*, is due to go into service this month.

"China Clipper" Crosses Pacific--- Then Speeds Homeward

The *China Clipper*, the 25-ton hydroplane of the Pan-American Airways, completed the first regular air mail flight across the Pacific when it landed at Manila Nov. 29 at 5.32 p.m. The giant airliner, which hopped off from Alameda, California, on November 22, took seven days to complete the 8,500-mile journey, including stops at Honolulu, the Midway Islands, the Wake Islands, and Guam, where the crew stayed to to enjoy Thanksgiving dinner. Cheering crowds lined the waterfront when the flyingboat made a perfect landing on Manila Bay. Naval planes circled overhead while warships in harbor, including the entire Pacific Fleet of the United States Navy, fired a salute.

The commander, Captain Musik, delivered a special letter from President Roosevelt to President Manuel Quezon. The last lap from Guam, 1,700 miles away, was flown at an altitude of 10,000 feet. More than U.S. $25,000 worth of stamps for the return journey, on December 2, were sold by the Philippines Post Office. The *China Clipper* is the largest plane ever built in the United States. It has a wing spread of 130 feet and will lift a total weight of 51,000 lb. The machine has a cruising range of 4,000 miles, a top speed of 180 miles an hour, and a cruising speed of 157 miles an hour, being driven by four 800-horse-power engines.

The *China Clipper* departed from Manila on the home trip Dec. 2 and is speeding across the Pacific eastward to the home base in California.

Macao to Become Pacific Terminal for Pan-American Planes

The Portuguese Minister of Colonies has authorized the Government of Macao to sign a contract with Pan-American Airways, Inc., for transportation of mail from Manila to the Portuguese colony. The Far Eastern representative of Pan-American Airways, H. M. Bixby, proceeded from Manila to Macao this week to conclude arrangements for the use of Macao as the mainland terminus of the new air line linking San Francisco, Honolulu, Midway Island, Wake Island, Guam and Manila.

After these are completed, the service to Macao will be launched as soon as the Pan-American technical staff can prepare facilities for the landing of planes, radio communication, weather observations and handling of mail at the Portuguese terminus.

Pan-American officials in San Francisco said they believed that regular service to Macao would begin with the *China Clipper's* third or fourth flight.

Japan to Seek Air Link With Europe

Ambitious plans whereby Japan will be linked to the international air lines reaching the Malay peninsula from Europe were brought nearer to realization Dec. 1 following the approval of a Yen 1,900,000 Ministry of Communications appropriation for the development of Japanese commercial aviation. The scheme provides for the extension of the present Kyushu-to-Taihoku, Formosa, line to Bangkok, Siam, where it will connect with British, French and Netherlands systems.

40,000 Kilometer Flight Over Eastern Arctic Made by Soviet Airman

In connection with his return to Moscow, the press described the spectacular flight made by Molokov over taiga, tundras and ice-fields of the extreme North during the past summer and autumn. Starting his flight on July 16 from Krasnoyarsk, in a specially equipped heavy airplane "USSR N-2," Molokov made a trip which lasted 89 days and during which he covered 40,000 kilometers in 250 flying hours.

Chinese Anti-Air Maneuvers Result in Victory for Defenders

The three-day joint anti-air maneuvers in Nanking, Chinkiang and Hangchow came to a successful conclusion Nov. 30. Vigorous sham fights were a feature of meetings.

A huge deadly "enemy" air force flying from Hangchow launched serious attacks on the National Capital. Instead of engaging the defending planes, the attackers staged a heavy bombardment on the city, dropping incendiary "bombs" on the Electric Power Plant, the Waterworks and other important buildings as well as "poison grenades" on populous areas.

Despite the fierce attack and the stormy weather, the Government air force, assisted by anti-aircraft guns and the land forces, successfully drove the "enemy" away. "Smoke screens" thrown over all the important organs, including the National Government buildings and the military headquarters, prevented them from being targets of the raid.

Although "fires" were raging in different parts of the city and considerable damage was done to public works and many people suffered, it was ascertained that the engineering corps, fire brigades and first-aid emergency units had promptly extinguished the "fires," restored order and placed the "wounded" under proper care.

Proposed Airmail Service Between Canada and Ireland

A recommendation for the establishment of an air-mail service connecting Canada and Ireland, via New foundland, is understood to have been made by the Canadian delegation to the Trans-Atlantic Airways Conference in session at Ottawa, Dec. 2. The Canadian terminus of the proposed line would be North Sydney, Nova Scotia.

Hsinking-Seishin Air Line Opened Dec. 3

The air line linking Hsinking with Lungchingtsun, on the Korean border, was extended to Seishin, a new Korean port, on Dec. 3. Passenger planes leave Hsinking at 8 o' clock in the morning, arriving in Seishin three hours and five minutes later.

Shanghai Flying Club Purchases New Planes

Two new planes have been purchased by the newly inaugurated Chinese Flying Club for training purposes. The Club, which was inaugurated in Shanghai on October 10 under the auspices of the China Aviation League, is stated to have attracted a large membership. Courses in flying will be formaily opened on January 1.

German Airman Arrested in England for Espionage

Dr. Herman Gortz, a German novelist, who was arrested by British Secret Service agents recently on a charge of espionage, appeared in Court at Margate Nov. 26 charged with making a plan of the Royal Air Force airdrome at Manston, Kent, calculated to be useful to an enemy. He is also charged with conspiring with a German girl, Marianne Emig, to commit offenses under the Official Secrets Act. It was stated that Gortz, who was formerly an officer in the German Air Force, took a furnished bungalow at Broadstairs where he and the girl became friendly with a young flier who supplied them with photographs of Royal Air Force machines.

Two Japanese Naval Fliers Killed in Nose-Dive

Two naval non-commission officers were drowned when the airplane in which they were flying nose-dived into the sea off Yokosuka, Nov. 29, from an altitude of about 800 meters. The machine was pulverized by the impact.

Air Defense Exhibition at Chengtu Draws Huge Crowd

Upwards of 30,000 people thronged the Chengtu Air Defense Exhibition, which opened at the Hsiaocheng park, in Chengtu Dec. 1, to continue for ten days. Teng Han-hsiang, Chief Secretary of the Szechuen Provincial Government, presided. The importance of air defense was emphasized by Tsai Chi-lun of the Provisional Headquarters of the Military Affairs Commission and other Government and civic leaders.

Two German Airmen Killed in Eurasia Plane Crash

Flying Captain Brohm and Board Operator Mayer were killed and two Chinese passengers were injured when the Eurasia Aviation Corporation's single-motored Junkers plane in the Lanchow-Sian service crashed at Pingliang Nov. 27. The late Capt. Brohm, aged 26, had had 370,000 kilometres flying experience in Germany and 47,000 kilometres in China, while the late Board Operator Mayer, aged 32, had covered 342,000 kilometres in the air. The former arrived from Germany three years ago, and the latter two years ago.

Although the cause of the mishap has not yet been ascertained, bad weather conditions are believed to be responsible. It is for this reason that the firm has ordered a tri-motored Junkers plane to fly the Lanchow-Sian line in future.

Fritz Horn, Eurasia technical manager, proceeded to Sian to locate the plane and secure further details of the mishap.

Eurasia Company to Send Students to Germany

With a view to meeting China's need for well trained fliers in the field of civil aviation, the Eurasia Aviation Company has decided to send a group of 15 budding pilots to Germany for advanced studies in flying and aeronautics, according to information from the company.

$172,000 Budget for China's Entry in World Clympiad Passed by Government

China has decided to take part in seven branches of competitions at the next world Olympiad to be held in Berlin next summer. The seven branches of championships that have been picked by China for competitions are soccer, track and field, basketball, weight-lifting, swimming, boxing and marathon race. Funds for the delegation are assured, as the budget of $172,000 as worked out by the Ministry of Education is stated to have been approved by the Executive Yuan. Unlike the last Olympiad held at Los Angeles, to which China sent only one delegate, the Berlin meet will see China represented by 80 athletes and 20 officials. According to plans worked out by the National Amateur Athletic Federation, the Chinese delegation will leave Shanghai next June, returning to China in September.

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"Via RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES ...

In CHINA file your messages
"via CGRA—RCA"

(Chinese Government Radio Administration
R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.

(A Radio Corporation of America Subsidiary)
Office of Representative—Sassoon House—Shanghai

Gen. Tsai Ting-kai Says His Divisions Are Ready to Defend Country

BY THE REVIEW'S SOUTH CHINA CORRESPONDENT

"THE establishment immediately of a People's Government based on the needs and interests of the people is the great demand of all well-wishers of China to-day," said General Tsai Ting-kai. The former Commander-in-chief of the once famous Nineteenth Route Army, which so gallantly defended Shanghai during the troubled days of 1932 against the Japanese, was seen at his Hongkong residence in Happy Valley by the *China Weekly Review's* special correspondent. In the same interview was Chesly Manly, the American correspondent representing the *Chicago Tribune*, who was passing through Hongkong studying general conditions in the British Colony after covering the inauguration of the Philippine Commonwealth Government in Manila on Nov. 15.

General Tsai spoke appreciatively of the welcome accorded him on his trip to America last year, particularly by groups of Chinese residents in various parts of the United States. He said he was given a big welcome wherever he went.

Asked what he thought of the pro-Japanese autonomy movement in North China General Tsai said that it was his personal opinion that the Japanese annexation of the five northern provinces of China was only a matter of time. "The world knows that China is one of the most peaceful of nations. China only desires peace and be left alone. But from the policy of the Japanese militarists it seems that no matter to what extent China makes concessions the Japanese aggression will be continued," said General Tsai.

Can Easily Remobilize His Army

Answering a query by the correspondent, General Tsai said that although his Nineteenth Route Army suffered a defeat in Fukien in 1934, his 60th, 61st and 78th Divisions all under the command of the Nineteenth Route Army were handed over to General Chiang Kai-shek's representatives in Fukien in 1934. When they were turned over the three Divisions were all intact, having suffered the least from their military operations in 1934. These troops are now scattered under different armies of Chiang Kai-shek in Shensi, Wuchang and Hankow.

Explaining further General Tsai Ting-kai said confidently that these well-trained Cantonese troops would be most enthusiastic in defending their country. With the co-operation of the Nanking Government, General Tsai Ting-kai believed that in one week's time he could remobilize the whole Nineteenth Route Army to make it an efficient fighting unit again.

Since the changeover in 1934 in Fukien, said Tsai Ting-kai, many of the subordinate officers of his Army had turned over to serve the Government armies in Canton, Nanking or Kwangsi. "These hundreds of subordinates officers are all willing workers under me the day I resume my command of the Nineteenth Route Army. Few of the highest officers like myself and General Chiang Kwang-nai are in Hongkong."

No Alliance With Canton

The correspondent then asked him whether the Nineteenth Route Army was in league with the South-western Government in Canton. It was further pointed out to the General that a recent Canton report said that one regiment, the best of the 19th Route Army which General Tsai had personally trained and commanded, had remained in western Fukien since 1934. This regiment is still receiving Canton's financial support. General Tsai Ting-kai denied that there had been a secret understanding with Canton. He declined to discuss this aspect of the situation. But he gave the correspondents the impression that there existed no ill-feeling between his Army and the highest of the Canton authorities. It will be recalled in this connection that up to 1931 the Nineteenth Route Army acted as garrison troops in Honan, Canton's southern suburb and part of East River in Kwangtung.

The political director of the Nineteenth Route Army, General Chen Ming-shu, was then Chairman of the Kwangtung Provincial Government. While dealing with Tsai Ting-kai's relation with Canton it may be mentioned that the Canton reports recently said that Tsai Ting-kai's Cadet Regiment was still intact and independent to-day in western Fukien, although Chiang Kai-shek's troops control the other parts of the same province.

In western Fukien this Cadet Regiment is independent of all political affiliation. It alone refused to knuckle down to be coerced into joining either with Canton or the Nanking armies. After the Fukien rebellion of 1934 punitive expeditions were sent to overwhelm it, but it eluded all its enemies. Tired of repelling its foraging incursions, General Chen Chi-tang (Kwangtung's Commander-in-chief) finally started sending a monthly allowance, much as that given to the ordinary Kwangtung regiment. Since then these Nineteenth Route Army troops have stayed in western Fukien, living peacefully in their camp.

Explaining Canton's remuneration to the troops in the western area, the same report says that while the money was given out by Canton's Military Headquarters, it was not derived from tax collections as the other contributions made to the provincial armies. What is being given the remainder of the Nineteenth Route Army comes out of a fund that was built up from the voluntary contributions of the people of Kwangtung to reward the soldiers who had defended Shanghai against Japan.

While Generals Tsai Ting-kai and Chiang Kwang-nai were in power in Shanghai in 1932, they endeavored to get all these dollars that the people wanted them to have for their operations against the Japanese, but only a small portion ever reached them. Even though the Cadet Regiment has been supported from this source, there is still left a large part of the great sum that the citizens of Kwangtung gave to the 19th Route Army fighters.

Despite his reticence to answer the question of his relation with Canton, Tsai Ting-kai admitted that in western area there were 6,000 troops, which might be ready to serve him any time he returned to politics. He expressed the opinion that these 6,000 troops in western Fukien were better trained than other Fukien provincial troops. He said these troops supported themselves quite sufficiently with the revenues in their respective districts without looking to Canton for assistance.

It was rather significant that Tsai Ting-kai said that some of his former subordinates now served Chen Chi-tang in Canton. This goes a long way to show that there really is no animosity between him and the South-western military group now ruling Kwangtung and Kwangsi.

Suggestions to Congress Leaders

Referring to his latest suggestion to Feng Yu-hsiang, Yen Hsi-shan, Chow Lu, Li Lieh-chun and other members of the Kuomintang Fifth National Congress in Nanking, Tsai Ting-kai said that his first condition was for the formation of a military alliance of all China's army, naval and air forces, which is ready to take up arms against foreign aggressors. The second term concerns the organization of a People's Government whose one aim is to drive out foreign annexationists from territories taken from the Chinese. Thirdly the Nineteenth Route Army leaders propose the assembly in Nanking or other parts of China of a national salvation conference, which will discuss the organization of a national defence commission.

Fourthly it is proposed that the Central Government should restore complete freedom of speech, publication and assembly by the people. Furthermore the Government should declare an amnesty of all political offenders for whom warrants have been issued for their arrests by Nanking. What is more the Government should permit non-Kuomintang leaders and politicians an opportunity to serve the nation.

Finally the Nineteenth Route Army chiefs want the publication from time to time of the Government's accounts. The people must be given the chance to examine the revenues and expenditures of the government at any time.

General Tsai Ting-kai was not the only author of these suggestions which had as their joint signatories the following politicians: Generals Chiang Kwang-nai, Chen Ming-shu (who was Nanking's Minister of Communications in 1932) and Li Chi-sen (until 1928 the military dictator of Kwangtung and Kwangsi).

Tsai Ting-kai said also that a unity of the entire nation should be achieved in view of the serious crisis facing China. After its past setbacks the Kuomintang should have realized long ago that the party must put before anything else the interest of the people and of the nation.

In their telegram to the Congress members the Nineteenth Route Army chiefs also deeply deplored the concessions made by the Chinese authorities in the Shanghai Municipality in the recent Chapei affair when a Japanese marine was killed by an unidentified person. The withdrawal of General Shang Chen's troops in Peiping and Tientsin to the south due to Japanese pressure was another clear evidence of the weakness of Nanking's policy.

Canton Government Avoids Complications

Since the recent Swatow rice smuggling incident when a number of Japanese gunboats were sent to Swatow to bring puressure on the Kwangtung Government to release cargoes of rice, the Canton Government has adopted a policy of great precaution so as to avoid foreign complications. Consequently the Government has instructed Canton's police and gendarme officers not to use undue force towards troublesome foreigners. In most cases Japanese who become involved in arguments with the Chinese are being politely advised to return to their gunboats or Shameen, the foreign settlement in Canton.

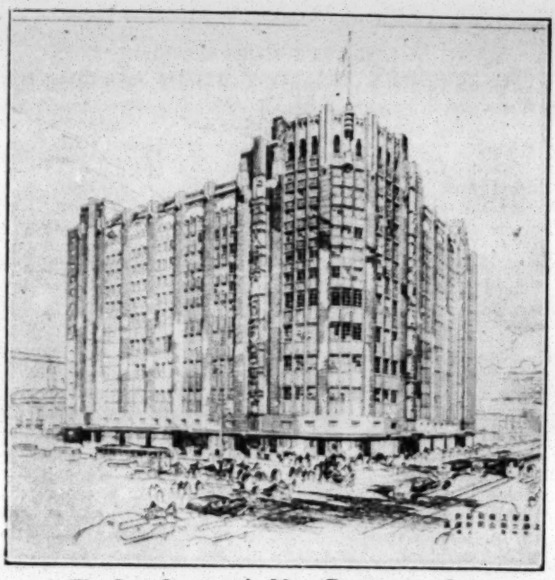
It is reported that last week some Japanese bluejackets created a scene in a Shup Pat Po restaurant. Two days later four Japanese civilians had to be ejected by Police from the Great Eastern Hotel, Canton. In both cases the foreigners appeared to be intoxicated, but then no incident developed due to the diplomatic manner in which the Police handled the situation.

Chinese newspapers also report that the Japanese Consul-General in Canton has protested against the publication in some Chinese newspapers of news alleged to be not favorable to the Japanese. The Kwangtung Government, in this connection, was asked to enforce a stricter censorship over all Chinese newspapers with a view to eliminating all news considered detrimental to Sino-Japanese relations.

Shanghai's New Community Service Store

The new department store of The Sun Co. (Shanghai) Ltd. at the corner of Nanking and Thibet roads will open soon. The new building is a fine addition to Shanghai's popular shopping centre—Nanking Road. Soon Shanghai folks will have another convenient store to purchase their daily needs—and a rendezvous for greeting friends. "Yes, I'll see you at The Sun Company's store." It is the aim of the management to make their centrally situated new store a popular meeting place for the Shanghai public. Fronting three thoroughfares, (Nanking, Thibet and Lloyd roads), car owners will find greater parking facilities to park their cars, a convenience that is not obtainable at most of Shanghai's busy centres.

To facilitate intercommunication between the various floors, two "Otis" passenger escalators have been installed in the new store besides the elevator service. The two passenger escalators are the first to be installed in China and will be a welcome con-



The Sun Company's New Department Store in Shanghai

venience to patrons of the new store. The air-conditioning is another welcome feature to Shanghai shoppers, who will be able to make their purchases under comfortable conditions at all times. Without going into details of all the improvements, one will see that the management has given careful study to modern shopping requirements.

The Sun Company will not only serve the people of Shanghai, but will also endeavor to meet the purchasing requirements of the public in the vast territory of China. It will, therefore, establish a mail order department.

The display and sale of Chinese handicraft and other products will prove a special attraction to tourists coming to, or passing through Shanghai; indeed many visitors will remember the store as "The Show Window of China," Shanghai's latest modern department store.

Choy Chong, with the cooperation of his friends, founded this new company at Shanghai. In 1912, he organized The Sun Company Ltd. at Hongkong and soon after that established two branches at Canton. The three stores in South China are capitalized at four million dollars while the Shanghai store was launched with a registered capital of six million dollars. With such an organization, the management hopes to do much to encourage improvement and greater sale of home-made goods, as well as contributing its share in maintaining reciprocal Sino-foreign trade.

The architects of the new building in Shanghai are Messrs. Kwan Chu and Yang, while the contractors are the Voh Kee Construction Company, builders of the Park Hotel, the highest building in the Far East.

Three Dead and 25 Hurt in Lahore Riots

Three persons were killed and 25 others seriously injured before communal rioting, which broke out in Lahore, India, Dec. 1. between Sikhs and Hindus was finally suppressed. A curfew order was promulgated with a view to preventing a recurrence of disorder. The Royal Scots assisted the 14th Punjab Regiment in disarming rioters. The police fired a few shots to disperse the mobs, but nobody was injured in the firing, all the casualties occurring in clashes between the Hindus and Moslems themselves.

GARGOYLE
Mobiloil
stands up
Mobiloil
A
STANDARD-VACUUM
PRODUCT

A Front Page Reminder To All Wise Parents.

Parents are often worried when the tell-tale scale registers loss of weight for baby, indicating that the little one is not thriving as he should. Perhaps they have already tried various remedies wherewith to arrest the decline, but to no avail, and they are at a loss to know what next to do. In many such cases to learn of the merits of Baby's Own Tablets is to find renewed health and happiness for the child.

These pleasant tasting tablets are the ideal corrective for those health troubles of young children which arise from a disordered condition of the stomach or bowels. The prescription of a medical child-specialist, the tablets are easily crushed to a powder; made up in this tablet form accuracy of dosage is assured.

After the very first dose a change for the better will usually be noted in the child, and soon he regains lost weight, health and spirits. Baby's Own Tablets are unsurpassed for the correction of infantile constipation, indigestion, 'wind,' simple fever, diarrhoea, colds and croup, to relieve the pains of teething and expel worms.

Chemists everywhere sell the little children's health safeguard, Baby's Own Tablets.

Progress of Cotton Production in Shensi

BY HUBERT T. M. SOONG (宋子明)

OF all the problems that now confront China none is as urgent and important as that of her agriculture, in so far as its direct effect upon the livelihood of the people is concerned. No matter how far or how soon China is to be industrialized, her present economic foundation rests upon agriculture, as about two-thirds of her population live on the land and obtain their living directly from the land. Yet, despite her being pre-eminently a farming country, China has not developed her agriculture to its fullest extent. Though it has vast stretches of fertile plain and favoarable climate fit for the cultivation of various staple crops, the country, owing to internecine wars, natural catastrophes of flood and drought, and the lack of encouragement and support of agricultural enterprise on the part of our government, has had to depend in recent years upon other countries for the importation of agricultural products, particularly rice and cotton. This country, if the Nanking authorities are wise enough to see and understand the possibilities as well as the importance of agricultural improvement, could yield an enormous amount of farm products, unsurpassed perhaps by any nation in the world. Hence, the primary significance in our problem is the necessity of using every acre of available land for farm production, which consists, of course, of all the productions of shelter, clothing, and food. In this paper, I shall, however, confine myself to the study of cotton production in Shensi Province with a view to bringing it up to the standard maintained by some famous cotton-producing countries.

China ranges third among cotton-producing countries in the world. The great cotton-producing region lies in North China. It is said that American up-land cotton is the kind best adapted to be grown along the north of the Hwangho valley. Take Shensi cotton for example. The soil and climate are especially adapted for cotton growing. When I came here last month by the Lunghai Railway I was greatly impressed by the promising situation of the cotton industry in this province. The cotton is widely grown in the fields along both sides of the railway. This province, for the sake of convenience, may be divided into three cotton areas, namely: Kwan-Chung Area (關中區), which consists of 39 districts (shien); Han-Chung Area (漢中區), which consists of 18 districts; and Yu-Lin Area (榆臨區), consisting of 18 districts. In fact, almost every district in this province is suitable for the cultivation of this crop. Therefore, Shensi cotton for many years in the past has been considered one of the highest grade China cottons, and until recently has sold at a premium. If we would put our whole effort and energy into the production and improvement of our cotton industry in this province, then I am sure the cotton output would be increased to such an extent that it would not only be sufficient for our home consumption but also supply the rest of the Orient as well.

Cotton Production Increased

Although our farmers are entirely without knowledge of farm management, understanding no more what they practice than wasps and bees understand their instincts, cotton production has proved to be marvelously and rapidly increasing, and indications are that it has given a great encouragement to our poverty-stricken farmers. Perhaps mere comments on the rapidity of development without being accompanied by some cold figures would not be comprehensible to us. The following table, which may help us to form some idea of the increase of cotton production in this province, may be of interest:—

COTTON AREA (MOW)

1929	1930	1931	1932	1933	1934	1935
185,000	1,208,900	1,638,800	1,412,664	2,106,667	3,710,938	4,438,161

COTTON YIELD (PICULS)

1929	1930	1931	1932	1933	1934	1935
33,945	135,456	346,319	157,813	544,935	1,004,114	1,204,888

Note:—The figures in 1935 have been roughly estimated by the Shensi Cotton Improvement Association.

From the above table, we see clearly that both the cotton area and the cotton yield are steadily increasing, except in the year 1932, which is attributed mainly to natural calamities. It goes without saying that the reason why Shensi cotton is now in a prosperous condition is because of the extension of the Lung-hai Railway and the construction of the country roads as well as the improvement of the highways which are running now through the length and breadth of the province; another reason is the suppression of poppy growing in recent years. The third reason is the practice of improved methods. In this connection I am happy to say that Shensi cotton is destined to grow by leaps and bounds in future.

Technical Expert Despatched for the Purpose of Improving Cotton Industry

The development of cotton production, as we know, depends solely upon the advancement of agricultural administration, or putting it into technical terms, farm management. But, in consideration of this, it is of great interest to learn that the growing appreciation of the importance of cotton improvement in relation to the higher production and quality has come to the thoughtful minds of agricultural leaders in China at present. The National Economic Council is taking active steps for the rehabilitation of the domestic cotton industry. In order to increase the production of native cotton so that the country may become self-sufficient in this respect, in 1933 the National Economic Council despatched Sun En-lin, technical expert, to various cotton-producing centers to study the local methods of cotton cultivation with a view to devising measures for the improvement of native methods. The Cotton Control Committee has recently dispatched a representative to this province to conduct investigations into the market situation with a view to introducing measures to raise the price level.

More Cotton Societies Organized

The Shensi Cotton Improvement Association (陝西棉產改進所), which was jointly organized by the Cotton Control Commission of the National Economic Commission and the Shensi Provincial Government, has, during this year, established two Cotton Management Organizations in Shengtung Area (省東區) and Tsengwei Area (澄惠區) respectively, solely for the purpose of directing the cotton growers to handle their farming affairs effectively and efficiently. Again, for the purpose of promoting efficiency, these two organizations have in turn formed numerous small Productive & Cooperative Societies, which are distributed in different rural cotton-producing places in order to have direct contact with the farmers.

The head of Shen-nan Cooperative Society is Wang Shih-chuan, who has made an intensive study of the best cotton-growing methods and brings to his task limitless enthusiasm coupled with a wide vision for the future. Under his direction, 72 small rural cooperative societies have been established in Nancheng district alone. The members of these 72 societies are no less than 1520. Through these societies, a sum of $21,010 has already been loaned out to those cotton-producing families, principally for the buying of fertilizer, seed, and agricultural instruments for planting their cotton crop. Again, in Chengkoo district, there are 46 societies established with 1260 members. A sum of $14,598 has also been loaned out to the small farmers who are in need of financial help for the cultivation of cotton. Now, the task of directing and relieving the cotton-farmers in the above-mentioned two districts having been accomplished, they will turn their attention to Shangyang, Ningchiang, Paocheng, and some other cotton-producing districts in the southern part of the province. Therefore, it is learned, according to S. C. Wang who directs the work, that considerable improvement has been made in the cultivation of Shensi cotton both in quality and in quantity. And in the next few years, it is to be believed that Shensi cotton, though it has lost its fame in the last few years due to mixing with inferior grades or to deterioration of seed, will certainly get back its previous position on the market lists.

Improvement Schemes Carried Out

For the purpose of carrying out the cotton improvement projects, the Shensi cotton Improvement Association has collected hundreds of thousands of catties of selected seeds. These improved seeds have been distributed among the farmers under the direction and supervision of the Productive and Cooperative Societies. It was reported that the farmers using these improved seeds have increased their product. The Association also notified the farmers to practice the method of mass selection. This methiod is to pick out choice plants from the main crop and sow the seed from them enmasse. It is said that their method has proved to be very effective and satisfactory. Realizing the deficiency in agricultural knowledgs of our famers, the Association, futhermore, endeavors to teach our farmers the methods of rotation of crops, amendment of soils, reclamation of marsh and alkali land, control of injurious insects, and selection of varities of cotton crops—in short, everything that can improve their cotton condition and insure their prosperity. And what is more, in order to reduce the cost of cotton transportation of the productive and cooperative societies which collect the product when the harvest season comes, the Association has petitioned the Provincial Government to permit a special privilege to the said societies in the matter of traffic. Now, the Shensi Provincial Government has granted these societies a sort of permit, by holding which they can transport their collected cottons from the interior of the province to Tungkuan (潼關) without paying any tax.

By means of cooperation, the cotton industry, it is to be believed, will open up unlimited possibilities and opportunities in the years to come. It must always be remembered, however, that the full possibilities of practicing the art of cotton improvement must depend upon the development of

scientific research and instruction. In this respect, I suggest that a cotton college should be established in Shensi for the purpose of training more technical students, who, after their graduation, will be despatched to various cotton producing centers to help the farmers to do some reform work in cotton cultivation. Besides, rural education is also of great importance. High school and grammar school students should be given some agricultural training. It was well said by a professor of agricultural education, that "Agriculture for boys corresponds to home economics for girls." The farming class should be educated to such an extent that they may not only be able to read and understand bulletins published by the government experimental stations, but be ready to receive this kind of information and apply such knowledge. If the work can be done along this line, then the native cotton will be improved to its fullest extent both in quality and in quantity; the general betterment of the farming class will be insured and our national resources will be greatly increased. Besides that, we can stop the aggression of our relentless neighbor.

Sian, Nov. 16, 1935.

Advent of Token Currency Proves Death Knell for "Cash" Shops

One of the effects of the new financial policy of the Chinese government will be to deal a servere blow to the many thousands of Chinese "cash" shops in existence, not only in Shanghai, but in all cities of China. One of the results of the fact that none of the money units used in China has had a stabilized relation to the others has been that in making change the services of a middleman have been required. This middleman has been the "cash" or exchange shop, which daily posts the rate of exchange for coppers and "small money" in relation to the dollar. The Ministry of Finance is now putting into circulation token coins to replace the "coppers," which are to have a fixed value of 100 cents to the dollar. The new tokens are about half the size of the present copper coins. The stocks of copper are being bought up by the Government so as to prevent their use as money and the coins in existence are being either stored or melted down. The twenty-cent pieces are gradually being displaced by additional issues of paper notes by the three Government banks. One of the effects of the disappearance of the twenty-cent pieces will be that the ubiquitous slot machines in the French Concession will have to resort to "slugs" to carry on their operations. The gradual withdrawal of the twenty-cent pieces from circulation has had the effect of enhancing their value in terms of "coppers." Hundreds of "cash" shops in Shanghai have already felt the impact of the new system and gone out of business, although many of them merely conduct their exchange operations as a side line to cigarettes, cigars and other articles of general use. Many cash shops also specialize in the sale of tickets in the National State Lottery.

Asia Electric Co. Says Whittaker Claim Is Made to "Embarrass"

The Asia Electric Co Nov. 27 filed an answer in the U.S. Court for China in answer to the action brought by Edward G. Whittaker, and Mrs. Evelyn L. Whittaker, acting both as individuals and as trustees for Donald L. and Robert E. Whittaker, in which they seek the return of $50,000, the money they claim to have paid for shares in the Asia Electric Company. The plaintiffs, in their bill of complaint, named the company itself and Truman Johnson, former president of the concern, now in the United States as first and second defendants, respectively. They claim that the stock they purchased was misrepresented to them, and hence their action in taking the matter before the court. Among other things, they charged that Mr. Johnson had told them that he was a heavy investor in the company and that they had purchased shares on various occasions because of this. They further alleged what they state are other misrepresentations.

The defendant company denies that it misrepresented stock in anyway and claims that the plaintiffs' action has been brought for the sole purpose of embarrassing the defendant.

Finance Minister's Daughters Leave for U.S.

Misses Kung Ling-yi and Kung Ling-chun, daughters of Dr. H. H. Kung, Minister of Finance, were among the passengers aboard the *President Coolidge* which sailed for America Dec. 3. Dr. Kung's daughters were seen off by Madame Chiang Kai shek, who arrived here from Nanking by plane and other officials and friends. Madame Chiang left here shortly before noon by the same plane to return to Nanking.

Dr. C. T. Wang, former Minister of Foreign Affairs, who proceeded to Japan last week, is reported to be planning to proceed to America and then to Europe to study the present conditions of the various countries in the two continents. Dr. Wang is acompanied by Fan Kwang, former Director of the General Affairs Department of the Foreign Ministry. Dr. Wang, while in Japan called on Mr. Hirota, Minister and Mr. Shigemitsu, Vice-Minister of Foreign Affairs, at the Foreign Office. They remained closeted for an hour.

SAVING

SAVING of time is probably the most important economy of the Telephone. But there are many others.

The Telephone saves effort (in shopping and home duties) . . . it saves waiting (you can keep in touch with friends) . . . it saves anxiety (in an emergency you are able to reach help instantly).

A Telephone in your home is service plus saving which can be measured in money.

Order your Telephone today. Call our Business Office (Telephone 94090) or ask any of our Employees.

SHANGHAI TELEPHONE COMPANY
232 KIANGSE ROAD

M.T. Mag 12-35

I. D. COD LIVER OIL
with MALT EXTRACT
地球牌麥精魚肝油

海上五洲藥房發行

味美無醒
營養豐富

AN IDEAL NUTRIENT

INTERNATIONAL DISPENSARY
588 NANKING ROAD
SHANGHAI

China Enforces Embargo on War Materials to Italy

Detailed measures for the enforcement of an embargo on exports of war materials, among them tungsten, antimony and tin, to Italy, and imports of Italian goods into China were announced in Nanking Nov. 30. The measures provide, inter alia: Beginning Dec. 1, no contract shall be entered for the import of Italian goods; orders placed before December 1 for which payment had not been made should be cancelled; orders placed before December 1 for which payment of 20 per cent or more had been made, may still be executed; Italian goods already en route to China will not be prohibited, but they must arrive before January 1, 1936; Goods originating from Italy or Italian colonies but partially manufactured in other countries, as well as goods partially manufactured in Italy and Italian colonies, will not be allowed to enter into China after January 1, 1936, unless 25 per cent or more of the value of such goods is attributable to processes undergone since they last left Italy or Italian possessions.

Canada Will Not Participate in Oil Sanctions

The Canadian Government in a pronouncement (which, in the words of the *United Press*, has shocked Geneva and amazed London) announced in Ottawa Dec. 1 that it does not recognize any commitment binding Canada to adopt military sanctions against Italy. The Ottawa government mentioned that Italy had made it clear that the banning of oil shipments would be considered the equivalent of military sanctions, and therefore a cause of war—something which the Canadian government was anxious to avoid.

The British Cabinet at a meeting Dec. 2 placed itself on record as being in favor of a collective embargo on oil shipments to Italy. This, however, does not mean that there is any immediate prospect of such an embargo being imposed by the oil producing countries generally. The proposed oil embargo will be considered by the Committee of Eighteen of the League of Nations when it meets in Geneva Dec. 12.

Letter by Italian Terms Britain a Judas

A hotly worded letter by an Italian to the *North China Daily News* Nov. 29 termed England a Judas and threatened that the Italian air force and submarine fleet could make the British battlefleet in the Mediterranean "kiss the bottom."

Wars to End War

The New York correspondent of London *Truth* in a recent ssue wrote: "The people here are wondering whether there will have to be a war in Europe to end the war in Africa and another war in Asia to end the war in Europe, and an American war to end the war everywhere else."

British "Sound" Japan on Intentions in North China

Information on Japan's attitude towards the autonomy movement in North China was sought by Arthur Wiggin, Charge d'Affaires of the British Embassy in Tokyo, in an interview with Mamoru Shigemitsu, Vice-Minister of Foreign Affairs, in Tokyo Nov. 27. Indicating that he was acting on instructions from London, the British official questioned Mr. Shigemitsu on the current reports that Japanese military authorities in North China are supporting the movement for autonomy. The Gaimusho official expressed regret that the British Government was misled by incorrect press reports, adding that the developments in North China were China's domestic affair, Japan being interested in them only as a neighbor. Mr. Shigemitsu incidentally mentioned that the actions of Sir Frederick Leith-Ross, chief economic adviser to the British Government, created the impression that he was interfering in China's internal affairs in connection with his part in the introduction of currency reforms.

According to information from diplomatic circles, the Governments of the various European and American countries are watching with closest attention and interest the new developments in North China, and have approached the Chinese Embassies and Legations in their respective countries for information concerning the situation.

Quo Tai-chi, the Chinese Ambassador in London, Dec. 3 called the attention of the British Government to Japanese violation of China's sovereign rights in North China. Mr. Quo brought up the matter during the course of a visit to Sir Samuel Hoare, the Foreign Secretary, with whom he had a long conversation.

Hsiao Chi-yung, the Chinese Charge d'Affaires, called on M. Laval, the French Premier, Dec. 2, to protest against foreign activities leading to a movement for secession in North China. No written protest was handed in and no suggestion was made that the Chinese Government would appeal to the League of Nations.

Japan Agrees to League Observer at Naval Conference

Japan Nov. 28 agreed to the presence of an observer from the League of Nations at the forthcoming naval disarmament conference in London. Gaimusho officials in Tokyo, Nov. 28 denied any knowledge of British reports that Moscow and Berlin have been asked to send observers to the London Conference.

It is reported in Tokyo that the question of fortfications in the Pacific area will probably be raised by the British and American delegations at the forthcoming naval conference in London. The purpose of this alleged move, it is stated, is to "bring pressure against Japan and impress upon her the necessity of reaching a naval agreement." Naval circles in Tokyo emphasize that Japan sincerely desires a naval accord, but declare that pressure in the manner suggested would be "illiudged." They assert that the non-fortification clause of the Washington treaty applies to the outposts in foreign waters of Great Britain and the United States, but only to the home bases and territorial waters of Japan. Naval critics regard the alleged willingness of Great Britain to accept a larger tonnage for battleships, 30,000 instead of 26000, as "a British political gesture for rapprochement with United States."

Japan is anxious to avoid an international naval building race but must safeguard her own position, Admiral Osami Nagano, leader of the Japanese delegation to the naval conference, said upon his arrival in London, Dec. 2.

The Anglo-Japanese Conflict in China as Moscow Sees It

In an article entitled "Anglo-Japanese Struggle in China," Moscow *Pravda* Nov. 21 noted the fact that British imperialism is taking up a policy of active resistance to Japanese aggression in China as an outstanding event. "The 'New Policy' in China as proclaimed by Japan is striving to attain recognition of the fact that North China and Inner Mongolia are quite a special sphere of Japanese interest, and is striving for Nanking's renunciation of its independent foreign policy by granting Japan exceptional economic and political privileges in all of China.

"Not only have large British investments in Central and South China found themselves endangered, but the transformation of China into a Japanese colony or protectorate would mean the nearest prospect for the greatest menace to Hongkong, Australia and India. Therefore, along with Japanese advance in the South, Britain actualized her Far Eastern policy. In view of its demarche, British imperialism is now attempting to mobilize the United States against Japanese aggression and in view of the growth of national resistance in China, Japan is now forced to reduce the speed of her aggression in China somewhat."

Japanese Officers in Europe Meet in Berlin

Thirty-two military officers attached to Japanese Embassies and Legations in Europe met in Berlin Nov. 30 for a four-day conference designed to insure close contact and co-ordination.

Manchukuo Refuses Claim for Compensation Made by E. Lenox Simpson

The claim for compensation of E. Lenox Simpson for the closing of his business premises, bookstore and printing office at Harbin (by the Manchukuo authorities under pressure from the Japanese when they occupied said city about three years ago), presented to the Manchukuo Government through the British Foreign Office in Tokyo, has been rejected by the Manchukuo authorities. The claim made by Mr. Simpson was for £3,000, and had the full suppopt of the British Government. It will be remembered that Mr. Simpson edited a paper with Soviet leanings and the Harbin authorities took steps which were the equivalent of deportation. He has since been living at Dairen. The incident in itself served as an acid test as to whether extraterritorial rights for Westerners still exist in Manchuria. The answer is that they do not. The Japanese authorites rode rough shod over this Briton's extraterritorial rights and his Government has not been able to secure compensation for the wrong that he suffered.

Harvard Professor Takes Patriotic Oath With Reservations

Officials of Harvard University announced Dec. 1 that they had "not even considered" the question of discharging Prof. Kirtley Mather, the geologist, from his post on the University faculty as a result of his reservations in taking the teachers' oath under the new Massachusetts patriotic law. In noting his reservations to the oath which the State now requires as a guarantee of allegiance to the American form of government, the professor specified firstly, that he would refuse to sever his relations with the American-Russian Institute of Cultural Relations "because science recognizes no political boundaries," and, secondly, that he would not transfer from the University to the State the right to judge his fitness to teach.

Dr. Franklin Ho Eulogizes Sir Frederick Leith Ross

The improvement of water conservancy, development of communications and introduction of political reforms are the key to the economic development of North China, writes Dr. Franklin Ho, noted Chinese economist and professor of Nankai University, in a special article published in a recent issue of the *Ta Kung Pao*, (Tientsin) upon the arrival of Sir Frederick Leith-Ross, to investigate economic conditions in the North.

Dr. Ho paid a glowing tribute to the British Government for sending Sir Frederick to China to investigate her economic and commercial conditions as a preliminary step toward the improvement of the trade relations between Great Britain and China.

"The maintenance of lasting favorable trade relations between two nations," he points out, "must be based upon equality and reciprocity, and a thorough understanding of each other's economic conditions is indispensable to the development of international trade."

Besides the improvement of conservancy, irrigation work and the development of communications, the introduction of political reforms, Dr. Ho emphasizes, is also essential to the economic development of North China. The success of the Industrial Revolution in England during the 18th and 19th centuries, he points out, was primarily due to her political stability, and the severance of the British Channel from the European turmoil then existing. The disturbed political situation in North China has adversely affected its economic development. A strong indication is the gradual decline in commerce and industry. For economic development political stability must therefore be reinstituted. Dr. Ho takes cognizance, however, of the complexity of the present political situation in North China, which tends to add difficulty to the governmental efforts toward political reform as well as economic development.

Jepanese Take Steps to Stop Silver Smuggling Out of Hopei

As a result of drastic action by the Japanese authorities the smuggling of silver out of North China to Shanhaikwan has stopped. The Tientsin correspondent of the *N.C.D. News* Nov. 17 said the word evidently was passed round to the Korean and Japanese smugglers that the racket must stop and that all silver must remain in Hopei. The smuggling of artificial silk and piece goods into Tientsin by rail from Chinwangtao without paying any freight or Customs also has come to a sudden stop, as the smugglers have been given to understand in no uncertain terms that they will have to pay freight charges on the goods. It is believed that this sudden stoppage of the smuggling racket, especially as far as silver is concerned, is in conformance with Japan's policy of keeping North China's silver in North China.

Bondholders of Central Properties, Ltd. Decide to Accept Silver Instead of Currency

The bondholders of Central Properties Ltd. in Shanghai at a meeting Dec. 2 decided to accept a variation of the terms under which interest is to be paid them. Although the bonds specified that interest was to be paid in silver it was decided to accept payment in currency notes in accordance with the Chinese Government's decree nationalizing silver. Considerable opposition to the proposal developed, but in the end it was carried by an overwhelming majority.

Many Farewell Dinners for E. S. Cunningham, Retiring U.S. Consul General

A farewell dinner to Edwin S. Cunningham, retiring American Consul General in Shanghai, will be given by the American Community of Shanghai at the American Club, Thursday, Dec. 12. The guests will be limited to Americans only. C. S. Franklin, entertainment chairman of the American community, will preside over the dinner, and speakers will include Stirling Fessenden, Milton D. Purdy, Dr. Anne Walter Fearn. Dr. C. E. Patton, Judge Milton J. Helmick, and Dr. Esson M. Gale. Music will be furnished by the U.S. Marine orchestra. W. A. Adams of the China Realty Company is in charge of the reservations.

Invitations are also being issued here for a dinner at the Park Hotel which will be given in honor of Mr. Cunningham by Mayor Wu Te-chen on Dec. 11. It expected that over 100 will attend. The heads of various consulates here and their wives are being invited, and a number of prominent Chinese officials and representative members of the American community have also been asked to attend.

The Shanghai Consular Body will give a dinner at the Shanghai Club Dec. 9 to honor the retiring doyen. Representatives of all the consulates in Shanghai are expected to attend.

The Shanghai Municipal Council will entertain Mr. Cunningham on Dec. 16.

In the United States Court for China

In re.
Last Will and Testament
of
STELLA RELYEA
Deceased

Cause No. 3981
Special Proceedings
No. 1043
NOTICE
Filed at Shanghai, China,
November 20, 1935.
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of STELLA RELYEA, deceased, to present the same with vouchers to the undersigned on or before May 23rd, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

ETHEL L. HYLBERT,
EXECUTRIX
c/o Mission Treasurers.
169 Yuen Ming Yuen Road,
Shanghai.

Shanghai, China,
November 20, 1935.

In the United States Court for China

In re.
Estate
of
ROSS JOHN
CORBETT,
Deceased.

Cause No. 3982
Special Proceedings
No. 1040
NOTICE
Filed at Shanghai, China,
November 8th, 1935.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of ROSS JOHN CORBETT, deceased, to present the same with vouchers to the undersigned on or before May 16, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Katharine Kenny Corbett,
Special Administratrix,
c/o Standard Oil Co.
Shanghai, China.

Shanghai, China.

HO YING-CHIN SEEKS TO AVERT CRISIS IN NORTH CHINA; REORGANIZATION OF NANKING GOVERNMENT PENDING

(Continued from page 7)

"To absolutely refrain from pursuing selfish interests, and

"To absolutely refrain from allowing personal sentiment and feeling to interfere with the performance of my duties.

"In case of violation of this oath, I bind myself to submit to the severest punishment from the Party."

Each member then affixed his seal to the oath in writing.

Following the opening exercise, a preparatory meeting of the Plenary Session was held with Yu Yu-jen, resigning president of the Control Yuan, in the chair. At this meeting a presidium of ten members was elected, namely General Chiang Kai-shek, Sun Fo, General Feng Yu-hsiang, Tai Chi-tao, Chu Cheng, Yu Yu-jen, Tsou Lu, Ku Meng-yu, Ting Wei-fen, and Chen Kuo-fu. Yeh Chu-tsang was elected Secretary-General of the Session. It was also dcided that the Plenary Session will last from 3 to 5 days.

The first business meeting of the Plenary Session was held in the auditorium of the Central Kuomintang Headquarters Dec 3 with Ting Wei-fen in the chair.

It is understood that no formal proposals haye yet been presented concerning the personnel of the new government, but the general opinion in Nanking is that there will be none or only a few important changes. *Reuter* reported that Tsou Lu will probably be appointed President of the Examination Yuan in succession to Tai Chi-tao, and that the latter will become a member of the standing committee of the Central Executive Committee of the Kuomintang and concurrently Secretary-General of the Kuomintang, devoting his entire energy to party affairs.

Reports persist that General Chang Chun, Chairman of the Hupeh provincial government, is likely to be appointed Minister for Foreign Affairs. It is learned, however, that, if this post is offered to him, General Chang will decline the post. It is also learned that, should General Chang be proffered the post and refuse to accept it, General Chiang Tso-pin, Chinese Ambassador to Japan, will be the most likely choice.

GENERAL CHIANG KAI-SHEK MENTIONED AS PRESIDENT OF EXECUTIVE YUAN

Shanghai Nippo on Dec. 3 reported that Wang Ching-wei will no longer remain at his post as President of Executive Yuan and that General Chiang Kai-shek will be his successor. General Chang Chun, Chairman of Hupeh, will be appointed Minister of Foreign Affairs, while General Chen Yi, Chairman of Fukien, now in Peiping will be appointed Ambassador to Tokyo. The Japanese paper further reported that the following steps in the organization of the new cabinet will be adopted by the presidium of the preeent Plenary Session of the Central Committees:

1) Lin Sen will continue as Chairman of the National Government,

2) General Chiang Kai-shek will be the President of Executive Yuan,

3) Sun Fo will continue as President of Legislative Yuan,

4) General Feng Yu-hsiang will be appointed the new President of Control Yuan,

5) Tsou Lu, leader of Southwestern politicians, will be President of Examination Yuan,

6) Chu Chen will remain as President of Judicial Yuan,

7) Tai Chi-tao will be the successor to Yeh Chu-chang, as Secretary-General of the Central Executive Committee.

The resignations of the presidents of the five Yuan have been submitted by the National Government to the Central Executve Commttteee for consideration and action. In addition Tan Chen, vice-president of the Judicial Yuan, has also resigned his position.

Dr. H. H. Kung, Minister of Finance, tendered his resignation Dec. 2 from his posts as vice-President and acting President of the Executive Yuan.

Shao Yuan-chung, vice-President of the Legislative Yuan, has also tendered his resignation to the First Plenary Session of the Fifth C.E.C.

Shanghai Nippo reported Nov. 30 that General Chiang Kai-shek secretly left Nanking for Szechuan on the morning of November 28, in order to devise measures to suppress the Communists, who are attempting to attack Chengtu. General Chiang is expected to return to Nanking within two or three days, for an interview with Akira Ariyoshi.

The condition of President Wang Ching-wei is stated to be very satisfactory after the operation conducted Nov. 29 by Drs. W. L. New, W. S. New and K. Noll, to extract the bullet from his back rib. The operation however failed to extract the bullet owing to the weak condition of the patient. The three attending doctors called at President Wang's residence in Shanghai Nov. 30 for further examination and treatment, but they have not yet decided whether another operation is necessary to extract the bullet in the near future.

Je-Chen Hu-Tu-Ke-Tu, Chief Governing Official of Tibet *ad interim*, has despatched a ttelegram to President Wang Chin-wei, expressing solicitude over the latter's health and the hope for his speedy recovery.

According to a *Reuter* report the Communists under Ho Lung and Hsiao Keh are leaving the positions which they have held for a long time in north-west Hunan and are moving west and south towards Kweichow and Kwangsi. These are the Reds who captured A. Hayman and R. Bosshardt, two missionaries, last year. Mr. Hayman was recently released, but Mr. Bosshardt is still being held captive.

The scene of the bandit-suppression campaign in western Szechuan is gradually shifting to south-western Szechuan. With the recapture of Chuchiakow and Wankuchang, two strategic points, at the end of last month, the Szechuan Band-suppression troops under General Liu Hsiang have driven the remnant "Reds" under Chu Te and Hsu Hsiang-chien southward towards Mienning and Ningyuan (Sichang), southwestern Szechuan.

The death of Liu Tse-tan, leader of the Communist bands terrorising norther Shensi, is reported in a telegram received by General Chiang Kai-shek from General Chang Hsueh-liang. The message says that Liu died on November 12 as a result of injuries received during an engagement with government troops the previous day.

Shanghai Mainichi reported that the main body of Communists in the northern part of Shensi is moving eastward. They are expected to stop in the region of Hoshu, in Southern Shansi, and Wu-an, in Northern Honan.

Prince Kang of Mongolia arrived at Nanking Dec. 2 to confer with the Central authorities regarding the joint defence of the various Mongolian Leagues against the invasion of Communists.

A set of regulations governing the management of Lama temples was adopted at the general meeting of the Legislative Yuan on Nov. 29. All lama temples which are under the supervision of local authorities, according to the new regulations, shall be subject to the control of the Mongolian and Tibetan Acairs Commission. With regard to the reincarnation of lamas, the ruling provides that the Central Government will give recognition only to those reincarnated. No recognition shall be given to the non-reincarnated unless special permission has been obtained.

A cortge of more than 300 hundred persons to escort the Panchen Lama, the spiritual head of Tibet, back to Lhassa arrived at Sian from Nanking Nov. 30. The party is leaving in a few days for Chinghai.

After repeated delays, Cheng Yun, special envoy to escort the Panchan Lama, Tibetan Spiritual Leader, back to Lhasa, left Nanking Dec. 1 for Chinghai, where the Tibetan dignitary is making preparations for his return trip. Mr. Cheng is expected to arrived at Hsining, capital of Chinghai, around Dec. 10. Mr. Cheng said that the Panchan Lama plans to start his homeward journed next January.

Reds Under Ho Lung Running on a Rampage in Hunan Again

BY THE REVIEW'S CORRESPONDENT AT HANKOW

WHILE the Governor of Hunan and many of the generals are away attending the national meetings in Nanking, the Reds are making hay while the sun shines. Of late they have been cutting through the cordon, which the government troops were seeking to throw around them. They seem to be out for a real picnic again, and have left the government troops far behind in a bold but successful attempt to outmaneuvre their enemies. From Changteh, Hunan, the city to the south of their operations, news comes of this the latest move on the part of Ho Lung and his cohorts. Information is to hand concerning the Reds and their get-away. On the 20th of Nov. a small defection of government troops below Tayung gave Ho Lun a chance to cross the Ling River. By Saturday the 23rd he and his men had arrived on the banks of the Yuan river and then it was an easy matter to throw a pontoon bridge across the river and march the Red army across. By Sunday the Reds has crossed the motor road going west from Chanteh to Shenchow. West bound buses did not get through to Shenchow on Sunday. This proves that Ho Lung and his men were in territory almost depleted of soldiers.

Changsha The Present Objective of the Reds

With the bus traffic at a standstill and the river traffic likewise, the district due west of Changteh has been pretty much paralysed since the 24th of Nov. It is rumored that the Reds are this time planning an attack on the provincial capital of Hunan. On the 27th of Nov. two regiments of the 19th Division were recalled from Chanteh to Changsha.

Reds Intercept Huge Consignment of Clothing

What was meant as a good supply of winter clothing for the government troops in western Hunan has been intercepted by the Reds on their new forced marches to freedom. As the Reds approached the Yuan River they became aware of five large boats loaded down with padded garments for the government troops. As the weather was rather stormy the Reds decided that they needed the garments worse than anyone else, and forthwith appropriated them for their own use. The 26th Division will have to get hot under the collar some other way now.

Government Troops Come in For Adverse Criticism

Now that it is an open secret that Ho Lung has again broken away from the government troops and the cordon that seemed to promise the very annihilation of the Red forces in Hunan within a few weeks, much adverse criticism of the government troops and their immobility and lack of spirit and gumption. With their overwhelming numbers they should have been able to mop up the Reds with a minimum of effort. But what do we find? The Reds are again making fools of the government generals, for with 10,000 men they are able to hold at bay a force estimated at 100,000. That shows the temper of the Reds. They have some measure of discipline, which seems to be sadly lacking on the part of troops operating in Hunan province at the present time. Let us hope that something will be done to shake them out of their present state of lethargy.

Hayman Freed by Reds in Hunan Atter 414 Days, Captivity

After 141 days in the camp of Ho Lung, Rev. Arnolis Hayman was released, apparently just before the Reds planned to make a dash for freedom. His companion, Rev. R. Bosshardt, also of the China Inland Mission, was not set free. Up to the last minute he, too, had every hope of being released....However, he was told that he would not be liberated at present, the Reds hoping to ge at large ransom in exchange for his liberty. A young Chinese Christian, Peter Ko, has bbeen the middle man in this great effort to secure the relase of thesef two men. Rev. Herman Becker, China Inland missionary at Yuanchow, Huann, has also distinguished himself in his efforts on behalf of his comrades, often exposing himself to danger while negotiating their release. Mr. Hayamn has left for Shanghai to recuperate. He is in a very weak condition physically.

Changteh Being Fortified

Expecting an attack by the Reds, Changteh this time fortifying herself in order to be prepared. Rumors to the effect that the Reds were going to join forces with the government troops are now discredited as purposely circulated by the Reds themselves.

Kansu Reports Reds Ousted

Condictions in Kansu are returning to normal again. The Reds who played such havoc with the larger cities in the province have now left for Shensi or Szechwan provinces. The motor road from Lanchow to Sianfu is open again, Many repairs have been effected, and more are being planned. The highway is now open all the way from Sianfu to Titao. Much os the road repair work has been done under the supervision of the Nanking troops. Between Titao and Taochow much needed road work has been done.

Western Hupeh Flood Areas Receive Relief Funds

Immediate relief is being provided for many of the stricken areas in north-western Hupeh, along the Han River valley. It is reported that the central government has appropriated the huge sum of $7,000,000 for relief among the vast number of flood sufferers. Of this amount $2,000,000 will be handed over to the Kiang-Han Engineering Bureau and $1,000,000 will be set aside for direct relief work.

Hankow, Dec. 2, 1935.

In the United States Court for China

CHARLES CARSON VINES, Plaintiff, vs. BRONIA MARGULES VINES, Defendant.	Cause No. 3991 Civil No. 1894 ORDER Filed at Shanghai, China, November 23, 1935. William T. Collins, Clerk.

ORDER

The object of this suit is an action for divorce.

WHEREAS the plaintiff herein, by his attorney, on the 21st day of November, 1935, made application for an order for substituted service of summons by publication upon the defendant; and

WHEREAS it appears from the files in this case that on the 20th day of November, 1935, the summons for defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the plaintiff's petition filed herein and duly sworn to that the defendant departed from China during the month of April 1935 for the United States, and that she at this date is a resident of 1412 Beale Street, Rocky Mt., North Carolina, U.S.A. and has been absent from the jurisdiction of this Court for a period of more than six months.

NOW THEREFORE, it is this 23rd day of November, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the day of the last publication as aforesaid, otherwise the case will be proceeded with as in cause of default.

BY THE COURT:

MILTON J. HELMICK

Judge

United States Court for China

THE TANAKA MEMORIAL

Much debated secret document outlining Japan's imperial policy of conquest—supposedly presented to the Emperor of Japan by Premier Tanaka on July 25, 1927.

Although officially repudiated, Japan has nevertheless followed the Memorial's recommendations since 1931.

Preparing for War with U. S. A.?

The Tanaka Memorial should be read by all students of the Far Eastern Question. Send for a copy, the price is only 10-cents, with an additional 5-cents for postage.

Address orders to

THE CHINA WEEKLY REVIEW

160 Avenue Edward VII

Shanghai.

New Japanese Woollen Mill to Open in Shanghai

Machinery is being rapidly installed at the plant of the Shanghai Woollen Goods Co., a new Japanese firm at 1150 Whashing Road, Shanghai, to make woollen goods. The Kyodo Woollen Mills, another Japanese firm with plants in Japan, is also planning to open a branch here.

Japanese Open Woollen Factory in Tientsin

A gigantic plan, for the building of a woollen factory in Tientsin, has been decided upon by the Japanese authorities. A Japanese expert is at present in Tientsin making the necessary preparations to establish the factory.

Yu Chung Cotton Mill Strike at Wuhu Settled

The strike of the Yu Chung Cotton Mill at Wuhu has come to an end as a result of the mediation of local authorities. According to the terms of agreement, retiring gratuities will be paid to the workers when they are dismissed.

Dr. D. Y. Lin Reports Progress in Farm Improvement Work

Good results have been achieved by the Ningshu Agricultural Relief Association in the improvement of the agricultural conditions in the surrounding districts of Nanking, according to a report recently made by Dr. D. Y. Lin, chairman of the association. Dr. Lin expressed the opinion that with the anticipated rise in price of rice the farmers will derive substantial profits from the rural credit loan system.

Export of Wood Oil Increases

In the past nine months, a total of $30,000,000 worth of wood oil has been exported as against $570,000 for the corresponding period of 1934, according to Customs reports. This rapid increase in wood oil exports is due to the large demand for wood oil in America this year. In order to improve the quality of wood oil as well as to increase the quantity of the wood oil, the Chekiang Provincial Government is negotiating with the Postal Remittance and Savings Bank for a loan of of $600,000.

Chekiang Obtains $150,000 for Silk Worm Larvae

A loan of $150,000 has been obtained by the Chekiang Provincial Government from the Bank of China and the Bank of Communications for the purchase of silkworm larvae to be distributed to peasants in the province this winter, according to financial circles.

Loan to Encourage Sugar Cane Raising in Kwangtung Concluded

As a result of the repeated negotiations between Fang Jui, Commissioner of the Agricultureal Department of the Kwangtung Provincial Government and Chu Ping-wen, assistant-manager of the Shanghai Commercial and Savings Bank, a loan of $700,000 has been concluded between the bank and the Kwangtung Provincial Government to encourage the growing of sugar-cane in Pangyu and Shunteh Hsiens of Kwangtung Province. A similar loan is being concluded between the Kwangtung Provincial Government and the Postal Remittance and Savings Bank for the same purpose. It is reported that this loan of $700,000 from the Postal Bank will bear an interest of 8 per cent also.

Travelling Exhibitions to Be Held in South Sea Islands

In order to promote domestic industries, preparations are being made by the National Federation of Chambers of Commerce and the Shanghai City Chamber of Commerce to hold travelling exhibitions among the Chinese communities in the South Sea Islands. This announcement was made by Wang Chih-sheng, special delegate of Shanghai native goods factories to the recent Singapore Exhibition, on arrival in Nanking from Shanghai to submit a report to the Ministry of Industry on his trip. In compliance with the request of the Chinese residents abroad, Mr. Wang stated, the Ministry of Industry has entrusted the National Federation of Chambers of Commerce and the Shanghai City Chamber of Commerce to establish sales agencies in the South Sea Islands.

China to Send Economic Mission to South Sea Islands

For the development of Chinese trade in the South Sea Islands the Chinese Foreign Trade Association has decided to send an economic mission to the islands in the near future to study market conditions and to promote Chinese trade connections there. The Association has already made arrangements with Chinese Consular officials in said islands to assist the work of the mission.

Nanking-Hankow Phone Installation Is Delayed

Installation work on the Nanking-Hankow Section of the 9 Province Long Distance Telephone System will be completed next Spring instead of at the end of this year as originally scheduled. The work is now being carried on by five Engineering Corps dispatched by the Ministry of Communications.

Bureau of Statistics Regulations Drawn Up

Regulations governing the organization of a Bureau of Statistics in the Ministry of Interior and Statistical Offices in the Executive, Legislative, Judicial and Control Yuans, the National Economic Council, the Ministry of Education and the General Relief Commission have been drawn up by the Directorate-General of Budgets, Accounts and Statistics and approved by the National Government for enforcement.

Improvement of Co-operative Work in China Urged by W. R. Campbell, N. E. C. Expert

Important recommendations for the improvement of the rural co-operative work in China have been made by W. K. W. Campbell, cooperative expert attached to the Co-operative Committee of the National Economic Council. In a recent interview with a representative of the *Central News Agency* shortly after his return from an investigation tour in North China, Mr. Campbell revealed that his suggestions contain the following: That adequate funds be appropriated by the Government to co-operative societies so that their capital may be strengthened and their activities in making loans to their members enlarged; the training of technical personnel for co-operative work; and a steady development of the co-operative program.

Chungking Conscripts Citizen Labor for State Service

Under the joint auspices of the Chungking Municipal Government and the City Party Headquarters, an enlarged weekly memorial service was held at Chungking, Nov. 4 to foster the conscription of citizen labor in the service of the State.

Sino-French Telegraphic Communications System for Indo-China to Be Discussed

Discussions for the adjustments of certain provisions in the existing contract for telegraphic communications between Indo-China and the three adjoing Chinese provinces will be held in Kuoming, in the near future. Chao Yi-lin is representing the Central Government in the discussions.

Mining Bureau Established at Foochow

In order to centralize the administration of the mining enterprises in the province, the Fukien Provincial Department of Reconstruction has established a Mining Affairs Bureau. Chen Hsin-chin has been appointed to make preparations for the survey of the iron deposits in Ankihsien, southern Fukien.

National Foodstuffs Bureau to Be Organized Jan. 1 Next

The Ministry of Finance has decided to organize a National Foodstuffs Control Bureau in Shanghai on Jan. 1, 1936. Branch offices of the Bureau will be organized in the rice production centers all over the country.

Early Completion of Three-province Highways Ordered by Gen. Chiang Kai-shek

In an order to the Provincial Governments of Hupeh, Shensi, and Szechuan, General Chiang Kai-shek, Nov. 26 instructed that work on the construction of the Hupeh-Shensi-Szechuan inter-provincial highway be hastened and completed within the shortest possible time.

Pursuant to the order of General Chiang Kai-shek, for the construction of a Nanking-Szechuan Highway, the Hupeh Provincial Government has completed surveys on the Shihnan-Lichuang and Shihnan-Laifeng sections of the road in western Hupeh. Construction work will be started immediately on the Shihnan-Laifeng section.

Bus Service Suspended in Peiping

The Peiping bus service suspended Nov. 21 because of the poor support given it by the public.

Yokohama Specie Bank President Reviews Economic Position

The speech of Kenji Kodama, the president of the Yokohama Specie Bank, made at the general meeting in Tokyo Sept. 10, has been printed in pamphlet form. No better survey of Japan's, or the world's, economic situation has ever been compiled than is presented in Mr. Kodama's speech on this occasion, unless it has been in speeches he has made at previous meetings. In the course of his remarks Mr. Kodama said economic conditions in Japan during the period under review continued to be favorable, and were marked by activity in special industries. Certain industries, however, such as those connected with cotton tissues, rayons, and steel showed signs of an over-prodution, and some other manufacturing industries also suffered a slight reduction in profits.

Book Store Managers Found Not Guilty of Selling Anti-Japanese Books

Waung Zang-chi, manager of the Modern Book Store, 286 Foochow Road, and Kao Beng-tien, manager of the Tsung Kwang Book Store, Foochow Road, Shanghai, who were charged by police with exposing on sale anti-Japanese books, were found not guilty by the First Special District Court this week. The books complained of were entitled "Volunteers" and "History of Humiliations," several copies of which were seized in the accused's stores.

Who's Who in China

Dr. Ting D. Lee, overseas Chinese physician, writer, lecturer and welfare worker; born at Fatshan, Kwangtung, 1898; received early education from private tutors in Fatshan; went to America for higher education at the age of sixteen; graduate of Asbury College, Wilmore, Kentucky with B.A. degree, 1920; graduate of Northwestern University, School of Medicine, Chicago with M.D. degree, 1925; while serving his internship at George Washington University Hospital at Washington, D. C., he took up post-graduate work in Pathology; returned to Canton in 1926, joining the teaching staff of Kwong Hua Medical College at Canton as professor of pathology and internal medicine and as director of the Kwong Hua Hospital clinical laboratory for two years; made his secod trip to America in 1928 and since then has been practising medicine and surgery in Portland, Oregon; meanwhile, interesting himself in various civic and patriotic activities of the local Chinese comuunity; holds the position of clinical instructor in Oregon University Medical School, being the first and only Chinese who has ever held such a position in the said university; member of the Chinese Consolidated Benevolent Association of Portland; his wits and humor attract large audiences to his lectures in America, especially on subjects pertaining to the Sino Japanese controversy in 1931-32; organized with other Chinese leaders of Portland the Portland Chinese Patriotic Society and the Chinees Aeronautic Association and School of America, 1931; contributor of articles on subjects of medicine, sanitation and current topics to the *Chinese Medical Journal*, the *American Medical Journals* and the *San Francisco Chinese Dailies*; he is well known in America both among the overseas Chinese and Americans, especially along the Pacific coast; address: 301-2 Gordon Bldg., Portland, Oregon, U.S.A.

李廷棟
Dr. T. D. Lee (Li Ting-ting)

李廷棟字字任，年三十七，廣東新會縣人。幼從師于佛山鎮習中國文學。年十六，負笈美洲。民國九年，畢業于美國乾德奇省雅士比里大學得文科學士。民國十四年，畢業于芝加哥西北大學醫科專門學院，得醫學博士。翌年往美京佐治華盛頓大學附設醫院任駐院醫師，并研究病理學。民國十五年返國。歷任廣州市光華醫科大學病理及內科教授，及光華醫院檢驗室主任等職。民國十七年，重遊美洲，在美國柯利近省砵崙埠，懸壺濟世，兼任柯利近大學醫科教授，華人在該大學膺斯職者，李博士爲第一人，除醫務外，頗熱心社會公益，造福華僑，歷任華僑各團體要職，現任砵崙中華會館主席團員之一，李君善辭令，好談諧，常應西人團體之請，演講中國近情，宣傳中國文化，及揭破暴日侵華之野心，大得美國人士之歡迎。民廿年日人佔東省寇上海，李博士遂與砵崙埠各華人領袖組織砵崙拒日後援會，及美洲華僑航空救國會，積極從事救國工作。公餘之暇，更從事著作，故中華醫學雜誌，美洲各醫學雜誌，及金山太埠各華字報，均載有彼之中西論文。

Ex-Foreign Minister at Canton Entertains Dr. Trautmann

Dr. Oskar Trautmann, German Ambassador to China, was the guest of honor at a dinner party in Canton, Nov. 28 by Dr. Lo Wen-kan, ex-Minister of Foreign Affairs and newly appointed member of the Kwangtung River Conservancy Commission and director of the Whampoo Harbor Development Administration. Dr. Trautmann and party arrived back in Shanghai Dec. 3 and immediately proceeded to Nanking by train enroute to Peiping.

In the United States Court for China

HARRY HUGO LINDER,
Plaintiff,
vs.
FREDDA RUTH DICKEY LINDER,
Defendant.

Cause No. 3993
Civil No. 1890
ORDER.
Filed at Shanghai, China, this 29th day of November 1935.
William T. Collins, Clerk.
L. T. Kenake, Asst. clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS Plaintiff herein by his attorneys on the 27th day of November, 1935, made application for the substitution of publication for personal service of summons upon the Defendant herein; and

WHEREAS it appears from the files of this case that on the 29th day of November, 1935, the summons for the Defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 27th day of November, 1935, Harry Hugo Linder filed an affidavit to the effect that the Defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 29th day of November, 1935, ORDERED that service upon the Defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the Defendant.

IT IS FURTHER ORDERED that the Defendant cause her appearance to be entered herein or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 21st day of December, 1935, the day of the last publication of the Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT.

MILTON J. HELMICK,
Judge,
United States Court for China.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches

Your work should bear our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, December 4, 1935

Demand selling rate on America:	U.S.$1.00=Sh. $ 3.38
Demand buying rate on America:	U.S.$1.00=Sh. $ 3.34
Demand selling rate on London:	£1.0.0=Sh. $16.73
Demand buying rate on London:	£1.0.0=Sh. $16.48

In the United States Court for China

HENRY FRANCIS PARKS, Plaintiff,
vs.
MARGARET ANNE PARKS, Defendant.

Cause No. 3996
Civil No. 1897
ORDER
Filed at Shanghai, China, December 4, 1935.
William T. Collins, Clerk.

ORDER

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorney, has this 4th day of December, 1935, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 4th day of December, 1935, the summons for defendant was returned by the United States Marshal for China with the following note thereon: "Defendant cannot be found within the jurisdiction of this Court;" and

WHEREAS, it appears from the files in this case that on the 4th day of December, 1935, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein since November, 1933, and that defendant's last known address was Chicago, Illinois.

NOW, THEREFORE, it is this 4th day of December, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*. Shanghai, China—a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 21st day of December, 1935, the day of last publication of this order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:
Dated at Shanghai, China,
This 4th day of December, 1935.

MILTON J. HELMICK,
Judge.

CUSTOMS NOTIFICATION No. 1479

The public is hereby notified that in accordance with Government instructions the Customs station at Nantunghsien will be closed on the 1st January, 1936.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 4th December, 1935.

Men and Events

The newly completed library and museum of the Greater Shanghai Municipality at the Civic Center will be formally opened January 1.

W. S. Toller, British Consul at Tengyueh, Yunnan, has been appointed adviser to the Yunnan-Burma Boundary Demarcation Commission.

The corner-stone of the buildings for the National Institute of Drama and Musie and the Exhibition Hall for Fine Arts was laid at an impressive ceremony in Nanking Nov. 29.

William Allen White, editor of the Emporia (Kansas) *Gazette*, and Mrs. White were the guests this week of Dr. and Mrs. C. N. Leach of the Rockefeller Foundation in Peiping.

Dunstan Chen, representative of the Wang Yue Tai Tea Co. departed from Shanghai this week for the United States to start a campaign to popularize Chinese tea.

The arrival at Hanoi Nov. 30 of Hsu Men-tseng, the first Consul General to Annam, was made the occasion of great rejoicing by the Chinese community in said city.

Mrs. Adolf Bolte last week gave a reception at Tientsin in honor of Emil S. Fischer's 70th birthday anniversary. The reception was attended by a huge gathering of many nationalities.

John Thompson, foreign political writer on the staff of the *San Francisco News*, arrived in Shanghai this week and plans to remain here for several days collecting material for a series of articles.

Chesly Manly, member of the Washington Bureau of the *Chicago Tribune*, after spending several days in Hongkong, Canton and Shanghai proceeded to Japan on the *President Coolidge* this week.

Dr. J. Ralston Hayden, retiring Vice Governor of the Philippine Islands, was scheduled to address the American University Club in Shanghai at a luncheon at the American Club, Dec. 6. Dr. Hayden is Professor of Political Science at the Universty of Michigan.

A Soviet citizen named Ocheretin was arrested by the French police on the Soviet steamer *Sever*, 15 minutes before the vessel was scheduled to leave Shanghai Nov. 29. He is being held on a fraud charge.

The first autumn dinner meeting of the Princeton Alumni Association of China was held at the American Club, Shanghai, Nov. 27. According to W. C. Belknap, secretary, the total listed number of Princetonians in China is 89.

The American community in Nanking gathered at the Sage Chapel of the University in Nanking Nov. 28 for the annual Thanksgiving service. Rev. Emory Luccock, pastor of the Community Church in Shanghai, was the principal speaker.

President Wang Ching-wei, who is now recuperating from his bullet wounds at his private residence in Shanghai received Dr. Chu Min-yi, Secretary-General of the Executive Yuan, and Tseng Chung-min, Vice-Minister of Railways Nov. 27.

The Canton branch of the Bank of Canton, which recently suspended following the closure of its head office in Hongkong, will resume business on December 9. The creditors will be paid 10 per cent cash and 90 per cent in security bonds of the Bank.

Dr. John B. Appleton, Professor of Geography in Scripps and Claremont Colleges, California, addressed the Royal Asiatic Society in Shanghai on "The Geographical Background of China's Civilization," Dec. 5.

Sir Alexander Cadogan and Nelson T. Johnson, the British and American Ambassadors respectively, called Nov. 30 on General Chin Teh-shun, Mayor of Peiping Municipality, and inquired concerning the latest developments in the situation in North China.

The death occurred in the General Hospital, Shanghai, Dec. 2 of Captain Percy W. Bateman, formerly with the Yangtsze Rapid Steamship Co. He died in a destitute condition. As a sailor he was with Admiral George Dewey at the battle of Manila Bay.

The Southwest Political Council at its regular meeting held in Canton, Nov. 26 decided to appoint Lo Wan-kan, former foreign minister, member of the Kwang River Conservancy Board and concurrently director of the Whampoo Port Development Preparation Office.

Yu Chin-ho, formally Commissioner of the Bureau of Public Safety in Peiping, has been appointed by the Fukien Provincial Government, Mayor of Amoy in succession to Col. Wang Ku-peng, who has been transferred as Commissioner of Metropolitan Police in Nanking.

The imprint of a cherry blossom, Japan's national flower, is being stamped upon 5,000 wood blocks preparatory to distribution among Japanese residents of Shanghai to be used as identification tags for their homes. The signs, the Japanese Residents' Corporation and the Amalgamated Japanese Street Unions hope, will prevent violations of Japanese homes by mistake.

The total flood-afflicted area in the ten districts of North Kiangsu up to now is 8,100,000 mow and the total number of flood refugees is 1,280,000, according to the statistics released by the Kiangsu provincial government.

The Shanghai Municipal Police seized three women and two men and more than four pounds of so-called red pills in raids in the Wayside district Nov. 3. One of the man is believed to have been the distribution agent of the narcotic ring involved in the greater part of the Eastern District over a period of months.

Huang Chi-lu stated in a recent press interview in Shanghai that owing to continued ill-health, Hu Han-min, veteran Party leader and former President of the Legislative Yuan, who is now in France, has decided to postpone his return to China for the time being.

The Japanese consuls in South China held a conference at Hongkong on Nov. 30. Although Japanese sources declare that the conference was held to deal with purely consular and trade affairs, Chinese circles in Canton viewed the conference with considerable concern.

The "Shanghai Club," a Japanese restaurant in a terrace on North Szechuen Road, has been ordered closed by the Japanese Consulate-General for one week on three violations of license conditions. The charges allege that Mrs. Tone Makari, 35, proprietress, operated a disorderly house.

More than 60 persons were drowned Nov. 29 when two ferry-boats plying on the Grand Canal suddenly capsized near the junction of the Canal and the Lutang River in Sutsien, southeast of Hsuchow. Both boats were overloaded. There was a heavy gale blowing at the time.

Press reports that the Board of the Directors of the China Merchants' Steam Navigation Company, at a recent meeting decided to send representatives to Nanking to petition the central authorities for early reorganization of the company are incorrect, according to information gathered by the *Central News* Agency.

Rear-Admiral Eijiro Kondo, former chief of staff of the Japanese Third Fleet, which is stationed in China waters, assumed his duties as commander of the Special Naval Landing Party in Shanghai at a brief ceremony at the barracks on Kiangwan Road Dec. 3. Rear-Admiral Araki, his predecessor, departed from Shanghai for Japan by the s.s. *Nagasaki Maru*, Dec. 5.

Dr. Gordon S. Watkins, Ph.D., professor of economics at the University of California at Los Angeles, spoke on "The New Deal in the United States" at the Foreign Y.M.C.A. in Shanghai Dec. 3. Dr. Watkins has been connected for two years with the New Deal administration as United States Arbitrator at the Port of Los Angeles.

Starting from January 1 all the Japanese stores in Shanghai have decided to put their prices on a yen basis, so as to avoid the risks which may be incidental to stating the prices in Chinese dollars. Local currency will be accepted at the current rate of the day. The change in itself is nothing revolutionary. Most American import houses have followed the same plan for many years, prices being stated in American dollars and articles charged for when sold at the current exchange rate in Chinese money.

A. Hayman, the British missionary who was recently released from captivity after 413 days in the hands of the Reds, arrived in Hankow Nov. 29. He stated in an interview that although beaten once, the Communists treated him and R. Bosshardt, his Swiss companion who is still in captivity, with consideration, permitting them to have the same food as everybody else. The wearisome days were spent in prayers, singing of hymns, knitting, and studying Chinese literature. Mr. Hayman, whose alarming condition was responsible for his release, is now progressing rapidly.

One hundred million dollars has been expended by the Chinese Municipal authorities for the reconstruction of the Chapei area since the undeclared Sino-Japanese war in 1932. The *Central News* says the Chinese authorities have been making elaborate efforts in developing the communication facilites and other material reconstruction projects for the district. Owing to the recent shooting incident, many Chinese residents had moved to the French Concession and the International Settlement, but many have now returned to their homes at Chapei as a result of the efforts of the Chinese authorities to suppress unfounded rumors.

China's Military and Political Expenses in November Totalled $23,000,000

The *Shun Pao Nov.* 20 printed a message from Nanking to the effect that the military and political expenses of the National Government for the month of November, 1935, amounting to $23,000,000, have been paid to the various organs in three instalments. The third and last instalment was paid on November 29.

A Practical X'mas Gift That Is Appreciated All Year Around

SENDING at this season a year's subscription of *The China Critic* to your friends or relatives will win you perhaps greater appreciation and longer remembrance for your thoughtfulness in giving the most practical of all gifts.

ON receiving *The China Critic*, the recipient will at once know that you are giving him the leading LIBERAL weekly whose independent views are respected and widely quoted. He knows that you have given him a weekly companion that expresses the genuine Chinese attitude, shows the political tendencies and gives the business development in a clear-cut manner. It is something very few people have ever thought of giving and it is a gift that will be remembered all the year around.

IN order to make it possible for you to give more such gifts to your foreign and Chinese friends, and your boys in college, *The China Critic* is now giving you a 30% discount between now and Christmas for annual subscription to be sent either abroad or anywhere in China.

DOMESTIC	FOREIGN
$5.00	$10.00

Please send the coupon NOW!

THE CHINA CRITIC

749 Bubbling Well Road, Shanghai

Telephone 33627

Enclosed herewith please find a check of $———. Kindly send a year's subscription of The China Critic to the following address, postage included

.....

.....

.....

Yours truly,

Name .....

Address .....

New Books of Interest in the Far East

An Intimate Study of the Founder of the Chinese Republic

Sun Yat-sen.—His Life and Its Meaning. By Lyon Sharman. The John Day Company, New York.

The author of this biography, professedly critical, has done a courageous thing. Such a biography could not be written by any Chinese today. Few there be in China who dare even openly criticize Sun Yat-sen, or take issue with his ideas. As the author says: "So long as it seems more important for China to worship Sun Yat-sen than to understand him, there can be little searching out of the truth and little objective evaluation except by foreigners." Yet historians should be concerned, because while the Kuomintang suppresses criticism and insists on the Sun Yat-sen Cult, the real man is being obliterated by a legend." If the human Sun Yat-sen is to be saved for posterity, it must be done by Western biographies."

Abbie Lyon Sharman (pen-name as above) speaks with authority and as a kindly, constructive critic. Born in China, she loves the country and its people. Because of that love, convinced of the ultimate harm that must come from "shut-eyed following" of an inadequate leadership, she has become a searcher after truth through a great welter of documentary and biographical material. To circumvent intellectual paralysis, the author insists on understanding the man, Sun Yat-sen, both in his contributions and in his unmistakeable limitations. What would amount to rank heresy on the part of any Chinese must be conceded as constructive criticism on the part of this Westerner. The author rises to discriminating heights in analysis of Dr. Sun's political theories and ideas rather remarkable in a woman, whose appreciation of a great personality so often eclipses her judicial faculties. Since her sincerity is unquestioned and her analytical faculties exceptionally sound, Chinese people should give thoughtful consideration to her criticisms of Dr. Sun's political philosophy and also to her analysis of reasons for the failure over and over again of the republic, and her constructive suggestions for education in group-functioning to replace the present disintegrative behavior which inevitably produces chaos and disorder. The book should be widely read and greatly discussed, secretly for the time being, if necessary. The author is no "die-hard"; she is a sympathetic friend and a kindly critic. Moreover she has made an exhaustive sutdy of all available material. Where the material is insufficient for the basing of conclusion, she does not dogmatize. She gives every evidence of having done a painstaking and scholarly job.

The reader may follow Sun Yat-sen's development with interest, his break with tradition in the cutting of his quee, his conversion to Christianity under the influence of the missionaries, his foreign education and "foreignization" in other ways as well. His detention in the Chinese legation in London and fear of execution, his release through the intervention of his Christian friend, Dr. Cantlie, and the sense of high mission which he felt as a result, are all of interest to the reader, even though he may be fairly familiar with them at the outset. So one continues and reviews modern history in the part that the reformer, Kang Yu-wei, and the writer, Liang Chi-chao, played in preparing the way for the revolutionary, Sun Yat-sen. Another writer reformer, Chang Chih-tung stirred the whole nation with his "Charge to Learn," a clarion call to study Western institutions and Western learning. These men were never forgiven by the Empress Dowager, even when on her 70th birthday she declared a general amnesty for political offenders. She made an exception of the three who were still living—Kang Yu-Wei, Liang Chi-chao and Sun Yat sen.

It would be interesting to ascertain whether the elder statesmen like Tong Shao-yi for instance, still living today, would agree with the author's analysis of Yuan Shih-kai. She makes him out the result of circumstances more than the traitor that he is usually conceded to have been, a strong administrator trying to function in the unaccustomed pattern of a new republic, and assured failure from the start. Follow the author for a moment:

> "He was not a Western-educated man with a mind crammed, like Sun Yat-sen's with the theories of Western government. His ideas of what a republic might be were doubtless as unformed as the ideas of others who had grown up in the Chinese governmental service . . . . The only postulate everybody agreed on was that the Republic was not the Manchu dynasty . . . . That he (Yuan Shih-kai) could change by a ceremony of inauguration into a president of the European or American pattern was taken for granted, just as it was taken for granted that China could make a swift alteration of all her governmental ways with the casting off of a dynasty and the writing of a republican constitution . . . . The failure of the Chinese Republic in its earliest years was the result of the unforeseen, but speedily manifested incapacity of both the President and the legislature to function in the unaccustomed pattern called a republic. There is no need to postulate a treasonable Yuan Shih-kai to account for the events; and it is unrealistic in the extreme to assume that the infant, christened the Kuomintang, could have made a success of the Republic in 1912 and 1913, if only there had been no Yuan Shih-kai."

From here on the book becomes absorbingly interesting, because of the author's keenness in analyzing the reasons for the repeated failures of the young Republic, for her insight into the changes that took place in Sun Yat-sen himself, and for her constructive criticism of the way China must go, a long and difficult way, if she is to reach her goal of successful democratic government. More or less embittered by repeated failures cut off from practical application of his theories to see how they would work, lacking imagination and creative genius, Sun Yat-sen became more and more the egoist and developed his penchant for programizing into a prodigious abnormality. Finding Russia the only country ready to help him in his "second revolution," Dr. Sun welcomed Borodin and the other Russian advisers with open arms, involving China in a long and painful experience of Communism and converting Sun himself to the idea that the ills of China were almost altogether due to "foreign imperialism" so that the voice which had been calling aloud for the employment of foreign experts and foreign capital to develop China became loud in decrying the "foreign exploitation" of the Chinese people. Borodin's greatest contribution, however, whether for good or ill, was the reorganization of the Kuomintang in 1924 into a party dictatorship.

Much of what Mrs. Sharman has to say is rank hersey to those who would rather worship than understand Dr. Sun Yat-sen. One would lkie to quote much, but must be content with whetting the appetite for more. There is much food for thought in the following:

> "If we are compelled to admit, as I feel I must, that Sun Yat-sen in his life-time fell short of being a great leader of his people, is it still possible to believe, as the Chinese do at present, that Sun Yat-sen remains the undying leader of the future into which he projected his plans? Sun Yat-sen dead and lifted to a position of not-to-be-questioned authority is a much more disturbing phenomenon than the mistake-making, now-in-and-now out Sun Yat-sen of history. He is disturbing not because of his radicalism—the world absorbs radical leaders; he is disturbing not for his criticism of imperialism or his alliance with Soviet Russia; he is disturbing because of the limitations of his mind. Even a great mind is not great enough for an absolute throne and crown. It is painful to see a whole nation regimented into shut-eyed following of a leader whose abilities appear inadequate for such titanic leadership. I can only view with foreboding such intellectual paralysis at this time when China needs every unit of brainpower that can be stimulated to function.
>
> "China must not stop at Sun Yat-sen's level of political telligence. That the rising generation has not the ability to surpass his thinking would be difficult to believe. Yet nothing could be clearer than that the country has no need of another schematic thinker to dispute Sun Yat-sen's place of honor by putting forth a rival program. China needs no more thousand-year plans. She needs thinking deep into the actual present . . . Occupied with imitation of the West, the country has not made a fair beginning on this problem which has been waiting for a day when China should become original enough to understand herself and be done with naive expectation of turning up some magic formula in the Occident."

There follows in conclusion a keen analysis of the causes for the repeated failures of republicanism in China, of the reasons for chaos and disintegrative behavior today, and a few constructive suggestions for the education of both leaders and people if future success with democratic forms of government is to be achieved.

G.T.F.

Two Books That Deal with Words

Dictionary of American Slang, by Maurice H. Weseen. New York: Thomas Y. Crowell Company. 558 pages. U. S. $2.50.

The Command of Words, by S. Stephenson Smith. New York: Thomas Y. Crowell Company. 300 pages. U. S. $2.50.

Here are two valuable books which are of particular help to all who must read and write good English with facility.

The first, a dictionary of American slang, is an excellent job of compilation. As Carl Sandburg, famous American poet, has said, "Slang is language that takes off its coat, spits on its hands, and goes to work." Professor Weseen certainly went to work when he made his compilation. No less than 15,000 expressions are both classified and indexed in his volume, the first of its kind to have been published. All the material is carefully classified by subjects, such as college slang, sports slang, hobo slang, theater slang, army slang, underworld slang, aviation slang, etc.

Examples of the definitions follow:

> "Worm worker: A stealer of silks.
>
> "Yen-hok: An instrument used for transferring an opium pill to the pipe.
>
> "On the worm: To be engaged in stealing silk."

It is interesting to note that many slang terms popular in the Orient are included in the list.

A carefully and diligently compiled book, and indeed a "scream" to read, Professor Weseen's volume will not be replaced for a long time as the American dictionary of "slanguage."

For those workers in English who feel the constraint of a limited vocabulary and must grope for words, Professor Smith's book is a god-send. "Word study," he writes, "should belong to the gayer arts, and not to the dismal sciences. Yet it has its serious side. In language, as in gunnery, range without precision will never do. Words should hit the mark . . . A large vocabulary permits a more judicious selection of words to express one's meaning. The fewer words the better, if only they are to the point. But a truly laconic style comes from a plenty, not from a paucity of words."

With this as a central theme, with which few writers and talkers and newspaper writers would disagree, Professor Smith has built up a working guide in the form of a scientifically selected method enhanced by interesting excercises. His book is not too difficult for comparative beginners in English, nor is it too simple for the most polished writer or speaker. The entire volume is well-edited, arranged, and grouped and contains an index, bibliography, and a style rule.

Both of these volumes will be found most helpful tools to anyone who speaks or writes English. A.B.

Widely Travelled Newspaper Man Describes Foundation of National Government

Personal History, by Vincent Sheean. New York: Doubleday, Doran and Co.

For a comparatively young man—he was eighteen when the World War Armistice came in 1918—the author has covered a great deal of ground. Mr. Sheean is better equipped for his work in foreign countries than most of his American contemporaries, due to the fact that he speaks Italian, German and French. His introduction into journalism came with a job on the *New York Daily News*, the pioneer and most successful of the illustrated tabloids. Shortly afterwards he went to Paris, worked on the European edition of the *Chicago Tribune*, incidentally acting as correspondent for a number of American newspapers. His work took him to practically all the capitals of Europe, and later to North Africa to report the Spanish War in Morocco.

Readers in this part of the world will naturally be most interested in Mr. Sheean's experiences in China. More than a hundred pages out of a total of about 400 pages are headed "Revolution." However it is not the Revolution of 1911 that is referred to, but the historic march of Chang Kai-shek's legions with the support of Borodin in 1927 that is described. His impression of the International Settlement and the French Concession of Shanghai was that of "pompous and rather purse-proud arrogance."

Mr. Sheean's pen sketches of T. V. Soong and Madame Sun Yat-sen are particularly vivid. One gets intimate glances also of Chiang Kai-shek, Eugene Chen, Michael Borodin, and the many other figures that took prominent parts in the stirring events of that period. He describes T. V. Soong as having had a "genuine dread" of any real revolution. General Chiang Kai-shek appeared to the author "sensitive and alert." Borodin is described as "a large, calm man with the natural dignity of a lion or panther." Concerning Eugene Chen, Mr. Sheean says: "In 1927 he was probably the best known of all Chinese political leaders to the world outside, and one of the least known among the Chinese." The author pays high tribute to Mrs. Sun Yat-sen who "without physical or intellectual power, by sheer force of character, purity of motive, sovereign honesty, became heroic."

Taking up the principles involved in the "Communist experiment at Hankow," the author says: "It is impossible to imagine a Communist state, or even a Communist experiment, in which private capital would be at liberty to maintain and fortify the domination of the employing classes over the workers—and yet that is exactly what happened at Hankow." The author is none too complimentary regarding the erstwhile "Christian" General. He writes: "The episode of Feng Yu-hsiang seemed to me a piece of a medieval buffoonery that might have discouraged the most ardent believer in the Chinese Revolution." In similar entertaining style the author reviews one of the most important epochs in the history of China.

The book ends with a description of a trip to the Holy Land. Much of the material in the book had previously been printed in the *Atlantic Monthly*, to which acknowledgment is made in a preface.

Government Testing Bureau Describes Activities in Brochure

A handsomely printed and illustrated brochure of 54 pages describing the organization and activities of the Government Testing Bureau of Shanghai has been issued by the Ministry of Industry. The Government Testing Bureau is located at 1040 North Soochow Road. It is conducted under the supervision of Dr. V. Tsai, the Commissioner. The general office is composed of six departments, viz., secretarial, accounting, statistical, business, application and investigation. The testing department has four branches, viz., raw silk, farm crops, animals and animal products, and chemical products.

The Only English Language Daily and Weekly Newspaper of Peiping.

The Peiping Chronicle

Presents news impartially and promptly, interprets current events in a sane and liberal spirit, and editorially supports progressive and constructive policies, and also serves as the best medium for advertising in North China.

Subscription Rates:

One month	Mex. $ 2.00
Six months	„ $11.00
One year	„ $20.00

(Postage extra)

The China Weekly Chronicle

A digest of the week's news concerning events and developments in China and in Chinese international relations, with editorial comment, special articles and review of books concerning China.

Subscription Rates:

Six months	Mex. $2.50
One year	„ $4.00

(Postage extra)

China Chronicle Series

Pamphlets of interest in China bearing the subjects of "Tibet under The Dalai Lama," "The New Life Movement," "Confucius and Present-Day China," "The Buddhist Cave Temples at Yun-Kang," "Guide to Peking," etc., etc., are on sale at:

THE PEIPING CHRONICLE

2, Mei Cha Hutung, Peiping, China

Teleg. Address: "Chronicle"

CUSTOMS NOTIFICATION NO. 1478.

The public is hereby notified that, in accordance with Government instructions, the following restrictions on commercial intercourse with Italy will be enforced forthwith:

(1) Beginning from the 1st December 1935 exportation of the following goods to Italy or Italian Colonies shall be prohibited:

(a) horses, mules, donkeys, camels and all other animals used for transportation.

(b) rubber.

(c) bauxite; aluminum and alumina (aluminum oxide); iron ore and scrap iron; chromium; manganese; nickel; Titanium; Tungsten; Vanadium; their ores and ferro-alloys (Ferro-molybdenum; Ferro-Silico; Ferro-Silicon-Manganese; Ferro-silicon-Manganese-aluminium) and Tin and tin ore.

The above substances include all crude minerals, metals, ores, scraps and alloys.

(2) Beginning from the 1st December 1935 no commercial contract of any kind shall be entered into with any Italian bodies, companies or individuals for the import of Italian goods.

(3) Orders placed before the 1st December 1935, for which payment has not been made, shall be cancelled forthwith.

(4) Orders placed before the 1st December 1935, for which full payment, or payment of more than 20 per cent., has been made, may still be executed.

(5) Italian goods already *en route* to China will not be prohibited entry but they must arrive before the 1st January 1936. The importation of Italian goods on expiry of the above time-limit shall be prohibited.

(6) Goods originating from Italy or Italian Colonies but partially manufactured in other countries, as well as goods partially manufactured in Italy or Italian Colonies, shall not be allowed to enter China after the 1st January 1936, unless 25 per cent or more of the value of such goods is attributable to processes undergone since they last left Italy or Italian Colonies.

(7) The importation of the following articles (from Italy or Italian Colonies) shall still be allowed even after the 1st January 1936:
(a) gold and silver bars and coins.

(b) books, newspapers, periodicals and maps.

(c) marine charts and printed matter, and music records.

(d) personal effects of passengers.

(8) Goods imported or exported in contravention of the foregoing prohibitions, shall be treated as smuggled goods and dealt with according to the provisions of the Preventive Law.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 3rd December, 1935.

Auguinaldo Allegedly Planned Coup on Inauguration Day

Chesly Manly, member of the Washington Bureau of the *Chicago Tribune*, while passing through Shanghai from the Phillippines this week, gave details of a rumored coup, planned to have been staged during the inauguration ceremony. Tension in Manila, Mr. Manly said, was great in the few days preceding the election. It was rumored, and rightly so, that Emilio Auguinaldo, candidate for president who was defeated by the incumbent, Manuel Quezon, might create a disturbance. Auguinaldo had already charged an election fraud. A day before the inauguration, Governor Frank B. Murphy, allegedly called Auguinaldo and asked him to explain. The defeated Filipino leader, who is especially popular with the service men and who polled 200,000 votes compared with Quezon's 800,000 votes, frankly told Murphy that he planned to lead 60,000 of his followers into Manila on the inaugural day. "The story continues," Mr. Manly said, "that Murphy persuaded Auguinaldo not to take such a step, that it would ruin Filipino prestige, and that it would be unwise from every standpoint. The leader is said to have agreed; anyway, the story seems true in so far as nothing happened and Auguinaldo didn't even attend the inaugural ceremonies. And it was significant too," Mr. Manly added, "that Mr. Quezon slept abroad an American cutter the night before he became president."

U.S. Will Maintain Status of Philippine Scouts

Officials of the U.S. Department of War stated in Washington this week that the Federal budget to be submitted to Congress in January will contain an appropriation for the maintenance of the Philippine Scouts. The budget for the Scouts is the largest item in the costs of Philippine defence.

Officials expressed the opinion that the status of the Scouts would remain unchanged at present, pointing out that the United States is responsible for the stability of the Philippine Government during the transitional period of the Commonwealth.

Former Vice Governor of Philippines Says Relations with U.S. Are Harmonious

Dr. J. Ralston Hayden, one of the foremost authorities on the Philippine situation who is retiring as Vice-Governor of the islands, while passing through Shanghai this week to the United States, said in an interview that never has there been a time when relations between the Philippines and America have been so harmonious as they are now. According to this eminent authority Manuel Quezon, President of the Commonwealth has taken hold of the government "very vigorously." "Undoubtedly," said Dr. Hayden, "he will exercise an energetic and powerful leadership."

Don't Let Rheumatism Cripple You.

Drive It Out By Tonic Treatment Through The Blood.

Nothing incapacitates more quickly for work, sport and pleasure than rheumatism, and once this dreadfully painful malady gets a hold the attacks increase in frequency and intensity as time goes on unless proper means are adopted to remove their cause.

Like most other ailments rheumatism is most easily checked in its early stages before the poisons in the blood have got a hold throughout the whole system, Dr. Williams' Pink Pills, renowned for their ability to purify the blood and to create rich red blood in abundance, have proved of the greatest help to rheumatic sufferers of all ages.

Through the blood these pills build up the nerves and restore health and strength to the whole system. As a remedy for anaemic conditions, nervous debility, digestive weakness, and as a restorative after fevers, and other serious illnesses they are unrivalled.

If you are suffering from any of the consequences of an impoverished state of the blood it is more than worth your while to try Dr. Williams' Pink Pills. Sold by chemists everywhere.

For a fearless survey of China's foreign relations, Chinese politics, current affairs, economic development and subjects of topical interest, as well as sections devoted to light humor and satirical comment on current events.

READ

THE CHINESE REPUBLIC

On sale at leading newsstands in Shanghai for 20 cents. Subscriptions may be obtained at $7 per year.

Address inquiries to

Business Department,
THE CHINESE REPUBLIC,
150 Kiukiang Road or P. O. Box 2067,
Shanghai.

Send these Pamphlets to your

FRIENDS ABROAD

Japan's Program in North China, an exposition of the Imperial Army's view, written by Gen. Hayao Tada, Commander of the Japanese forces at Tientsin. This declaration which aroused world interest constitutes the best explanation of Japan's attitude in fostering an "autonomy" movement in the five Chinese provinces, Hopei, Shantung, Shansi, Chahar and Suiyuan, Price 40c

China and the European Situation, an exposition of the new situation which has developed as a result of the Italo-British-Ethyopian Crisis, written by a well-known authority, Dr. Thomas F. Millard who recently returned from an extended trip to Europe and U. S. A., Price ..... 15c.

Why the United States Maintains its Full Naval Strength in the Pacific, an explanation of the developments since 1931 which have made it necessary for America to keep its full naval strength in Pacific waters, Price 15c

All three pamphlets, reprinted from recent issues of *The Review*, will be mailed to readers for 50c. Send stamps if more convenient.

China Weekly Review
160 Avenue Edward VII,
Shanghai.

Latest ... Quotations

Stock Exchan... Business D...
Total Volume: 1,930,000 Shares

1934-35 High	1934-35 Low	Div. $ per sh.	STOCKS	Last Sale Dec. 2	Last Sale Dec. 3
10	4¼	—	Adams Express	9¼	9½
149	110	4.00	American Can	137⅝	138⅞
29½	20¼	0.40	Amer. Cyanamid "B"	29¼	29⅛
9¼	2	—	American & For. Power	6⅝	7
42	14	—	American & Foreign Pwr. $7 pfd.	27¼	28½
22	10½	—	American Radiator & S.S.	20⅝	21¼
159½	98⅝	9.00	American Tel. & Tel.	154½	157⅞
107	74¼	5.00	American Tobacco "B"	101	101¼
21⅝	7⅛	—	American Waterworks	18¾	19⅝
25⅛	8	—	Anaconda Copper	24⅜	26⅜
57¼	35⅝	2.00	Atchison, T. & S. Fe	53⅛	54⅝
44½	15	—	Auburn	37⅝	39
18	7¼	—	Baltimore & Ohio	16½	17
51¼	21⅝	—	Bethlehem Steel	47¼	48½
16⅜	6¼	—	Boeing Airplane Co.,	13¼	13½
13⅝	8⅝	—	Canadian Pacific Railway	11	11¼
110½	45¾	—	Case, J. I.	97	101⅝
60	26½	1.00	Caterpillar Tr.	54⅜	56½
38	20¼	1.40	Chase National Bank	38	39⅛
60¾	36	3.00	Chesapeake Corp.	60	60
52½	37¼	2.80	Chesapeake & Ohio	51¼	52¼
89	31	1.00	Chrysler	80¾	84
15⅝	8⅜	0.20	Columbia Gas & Electric	13	13⅜
23⅞	16¼	0.60	Coml. Solvents	20	20⅞
3¼	0⅝	—	Commonwealth & Southern (ord.)	2½	2⅝
34¼	15⅞	1.00	Consolidated Gas of N. Y.	31½	32½
10¼	6¼	0.50	Consolidated Oil	10	10⅛
28¼	15⅛	0.25	Continental Oil	26¾	28¼
78⅝	60	3.00	Corn Products	69	69¼
34⅝	17¼	0.75	Douglas Aircraft	36¼	36¾
145¼	86¾	3.60	Du Pont de Nemours	136¼	138
20⅜	3¼	—	Electric Bond & Share	13⅜	15¼
40¾	20¼	0.20	General Electric	37¼	38½
37¼	30	1.80	General Foods	33	33½
58⅞	26⅝	2.00	General Motors	53¼	55
39¼	15¾	1.00	General Railway Signal	38	38
2 ½	14⅜	1.20	Gold Dust	20	20⅝
26⅜	15⅜	—	Goodyear Tire & Rubber	20¾	21¼
64	44	1.00	Humble Oil	58⅛	60
40¼	22¼	1.00	International Nickel	39⅞	43½
13⅝	8⅝	—	International Tel. & Tel	12	13
98½	38½	0.25	Johns Manville	87¾	90
29	13¾	0.60	Kennecott	27¼	28⅝
54½	31¼	2.00	Loew's Inc.	51⅜	52⅝
26½	18½	1.20	Lorillard	25¼	25⅛
94⅜	55	1.00	Monsanto Chemical	87	88
39½	21⅜	—	Montgomery Ward	37½	39¼
34⅜	18½	1.00	National City Bank	34⅜	36⅛
19½	12¾	1.20	National Dairy Prods.	19⅜	19⅜
84	28¼	2.00	National Distillers	80¼	81¼
14⅜	4⅝	0.60	National Power & Lt.	9¾	10
27⅜	12¼	—	New York Central	26⅜	28
27⅝	9	1.00	North American	23⅞	24½
30¼	18⅛	1.50	Pacific Gas & Electric	29½	29½
55⅞	19	2.40	Pacific Lighting	50⅜	50½
7¼	3½	—	Packard Motors	6¼	6⅜
84⅜	57¼	2.00	Penney, J.C.	78	79
30⅜	17¼	0.50	Pennsylvania Railroad	30⅜	31¼
37¼	18¾	1.00	Phillips Petroleum	34⅜	36¼
46¼	20⅜	2.40	Public Serv. of N.J.	43⅜	44¼
12¼	4	—	Radio Corporation	10⅝	11⅞
58	43¼	3.00	Reynolds Tobacco "B"	54¾	55¼
55⅞	22	—	Schenley	50½	51¼
68¼	31	2.00	Sears Roebuck	64⅝	66⅝
15⅝	10⅝	0.30	Socony-Vacuum	12½	12½
27	10⅝	1.50	Southern California Edison	25	24¾
24⅝	12¾	—	Southern Pacific	23⅝	24⅞
19¼	12½	0.80	Standard Brands	14¾	15
9¼	1½	—	Standard Gas & Electric	5⅜	5⅜
50¼	35⅝	1.00	Standard Oil Co. of N. J.	47⅞	48⅝
67⅞	58¾	3.80	Sterling Products	65⅜	65½
36⅜	28⅜	2.00	Texas Gulf Sulphur	31¼	32
13⅜	4⅞	0.30	Transamerica	11⅜	12¼
74⅞	44	1.60	Union Carbide & Carbon	70½	71⅝
111¼	82½	6.00	Union Pacific	106	107½
22⅝	9⅝	—	United Aircraft (New)	22¼	22½
12⅞	4½	—	United Airline Trans.	12⅜	12⅛
7⅜	1½	—	United Corporation	6¾	6⅞
18¼	9¼	1.00	United Gas Improvement	16⅞	17⅜
72⅜	51	2.00	Universal Leaf	72¼	72½
49½	35¼	2.00	U.S. Indus. Alcohol	46½	47
17¼	9½	—	U. S. Rubber	15	15⅜
50½	27½	—	U. S. Steel	46½	47¾
21⅜	11¼	—	Vanadium	19	19⅝
9¼	2¼	—	Warner Bros. Pictures	8½	8⅝
98¼	32⅝	0.50	Westinghouse Electric	89⅞	92⅝

Call Money: 0¾ %

SWAN, CULBERTSON & FRITZ

Swan, Culbertson & Fritz

Investment Securities—Local & Foreign

Safe Deposit Facilities

New York stock quotations received daily

Sassoon House Telephones 11200 (4 lines)

THE CHINA

BANK OF COMMUNICATIONS

ESTABLISHED IN 1908

Under Special Charter of the National Government as an Industrial Bank.
Member of the Shanghai Bankers' Association.

Capital..... $20,000,000.00.

Branches throughout China and Correspondents in all principal cities of the world. All kinds of Banking and Exchange business transacted, including Savings and Trust business.

Head Office: No. 14 The Bund, Shanghai.
Telegraphic Address: "Chiaotung"
Telephones: No. 12828 (15 lines)

LOCAL BRANCHES:—

358 Nanking Road, Telephone No. 95009
227 Boulevard des 2 Republiques, Telephone No. 82422
414 Wayside Li, East Broadway Road, Telephone No. 51344
89 Boundary Road, Telephone No. 45253

BRANCHES:—

Nanking, Chinkiang, Wusih, Soochow, Yangchow, Hsuchow, Tanyang, Changcho Chintai, Liyang, Changshu, Taisien, Tungtai, Yencheng, Nantung, Tsinkiangpu, Hwai-an, Paoying, Jukao, Taihsin, Hangchow, Ningpo, Tinghai, Shaohsin, Yuyao, Chuchow, Lanchi, Wenchow, Peiping, Tientsin, Paoting, Tangshan, Shihchiachuang, Tsinan, Tsingtao, Chefoo, Weihaiwei, Lungkow, Weihsien, Tsaochuang, Wuhu, Pangpu, Hsuancheng, Nanchang, Kiukiang, Hankow, Wuchang, Ichang, Kaifeng, Chengchow, Shansien, Changsha, Shasi, Canton, Foochow, Amoy, Si-an, Weinan, Hsienyang, Kalgan, Kweisui, Paotowchen, Mukden, Harbin, Szepingkai, Sunchiatai, Yinkow, Taonan, Changchun, Kirin, Heilungkiang, Dairen, Hongkong.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China